

# Cut spending or lose £450m Heseltine tells councils

By Christopher Warman,  
Local Government Correspondent

Local authorities face a severe loss of grant if they fail to bring down their spending within Government targets, and legislation to curb excessive rate increases is being introduced. The Government's Secretary of State for the Environment, said yesterday.

He announced that budget returns showed a total council expenditure of about £800m, 5.3 per cent above the target level for English local authorities. Taking wage and price inflation into account, the gross budgeted excess is about £1,300m.

Calling on councils to submit revised budgets in order to comply with the Government's targets, Mr Heseltine said that if they failed to do so, the total of grants for 1981-82 by about £450m.

Local authorities have been asked to submit revised budgets by the end of July, and it is likely that more than 100, including many conservative-controlled councils will still be insufficiently over targets to be penalized.

## Threat is not only sanction planned

Mr Heseltine has built in a little flexibility as an encouragement to make reductions. Councils which get within 2 per cent of their target will only lose 25 per cent of the total sum of grant to be withheld, and those within 2.4 per cent will lose 50 per cent.

The threat is not the only sanction proposed. Mr Heseltine said that if individual councils ignored the call to comply with the Government's targets, he would consider legislation in the next parliamentary session to prevent them flouting the guidelines.

This could take the form of a ceiling on rate increases, or a ban on the levy of supplementary rates, although he did not spell out the options.

It is, nevertheless, a most serious warning, he said, delivered to try to force the high spenders into line.

The Government also to publish a consultation document in the autumn on the alternatives to domestic rates, as the next step towards implementing the Conservative promise to abolish them.

The package, announced in the Commons and at a meeting with local government leaders, amounts at present to no more than threats.

Mr Jack Smart, chairman of the Association of Metropolitan Authorities, said, angrily at the meeting: "We are appalled at the end of local government as we have known it for many years. It is impossible to meet the targets Mr Heseltine wants. There will inevitably be substantial supplementary rate levies later this year."

If councils lost £44 in grant, it was equivalent to a rate increase of 10 per cent. In the metropolitan areas, it would mean additional bills of £35 for domestic ratepayers.

There is the possibility that some authorities, such as those which Labour won in May,

elections, will increase their budgets, which could force Mr Heseltine to take stronger action.

Mr Illyd Harrington, deputy leader of the Greater London Council, said that London stood to lose £37m if savings were not found. The GLC refused to be threatened by Mr Heseltine. He believed that the council would not deviate from the first part of its programme, revenue support for public transport, which Labour has said will cost a supplementary rate of 6p to 8p in October.

Mr Heseltine told local authority leaders at the joint consultative committee on local government finance that the indicated £800m excess was very substantial, but he realized that local spending was usually low in initial budgets.

"On the other hand, some authorities are indicating that further reductions are becoming more difficult, and some indeed are talking of substantial increases in the current year."

"It would therefore be irresponsible for the Government to sit back in the expectation that the budgeted excess will disappear."

Local government had made some progress in reducing spending, he said, but further efforts were needed.

More than one-third of the authorities had already budgeted within the Government's targets, and half either hit the targets or got near enough to gain partial protection from the loss of grant.

Local government had made some progress in reducing spending, he said, but further efforts were needed.

More than one-third of the authorities had already budgeted within the Government's targets, and half either hit the targets or got near enough to gain partial protection from the loss of grant.

## Warning on local discretion

Giving a warning of legislation which would reduce local freedom and discretion, Mr Heseltine emphasized that the basic relationship between central and local government rested on the premise that the Government had the right to lay down overall spending levels. If individual councils refused to comply, that relationship would be fundamentally changed.

The Government was therefore considering measures, including legislation, to bring home to local authorities and their electorates the consequences of high-spending policies.

There was considerable scope for further savings in local government, notably in manpower and administration costs.

Last year, Mr Heseltine called for revised budgets for the first time when authorities had budgeted £740m above last year's targets. The revised budgets showed an excess of £350m and Mr Heseltine withheld £200m.

He said yesterday it appeared that local spending this year would be £50m to £250m above the targets, and therefore he could not return any of the withheld grant.

Mr Ian McCallum, chairman of the Association of District Councils, said the new financial threats could lead to a further deterioration of services.

Spending as a target, Tory shires, and tables, page 2

Parliament, page 8

Leading article and letters, page 17

## UK gold and currency reserves fall heavily

Britain's gold and foreign currency reserves dropped by \$1,579m (£763m) in May, the biggest fall since March, when they plunged by \$3.0m after substantial Bank of England intervention to prop up the pound. The cause this time was a \$1,700m repayment — \$1,075m ahead of schedule — of the \$2,500m Eurodollar loan, raised in 1974.

Page 19

## Workers warn Scarmen boycott

The Brixton Defence Committee has issued a six-page statement on why blacks should boycott the Scarmen inquiry into the Brixton riots on June 15.

Page 3

## French leave Trade talks fail

The European Commission admitted the total failure of a five-year struggle to force Japan to cut back its massive trade surplus with the EEC.

Negotiations in Brussels were broken off last night, the right-wing Likud government being described as "preoccupied with the lead in the polls."

Page 19

Leader, page 17

Letters: On rates, from Mr Geoffrey Rippon, QC, MP, and Mr Tony Travis; football malaise, from Mr Stephen Schmittman, and others

Leading articles: Nuclear tests; Council spending; Iran

Features: page 10

How Mr Wedgwood Benn is capturing the unions, by Paul Routledge

Rome News	2, 21	Diary	18	Sale Room	18
Overseas News	4, 6	Events	18	Science	10, 11
Announcements	26, 24	Features	18	Sport	10, 11
Arts	15	Law Report	27	TV & Radio	29
Business	19-26	Letters	17, 20	Theatre	29
Church	18	Obituary	18	25 Year Ago	19
Crossword	30	Education	18	Universities	19
		Property	13	Wills	18

News, weather, back page; Personal, page 28



A children's play for Princess Alexandra during her visit to Banbridge.

## Runcie condemns the hooded men

From Tim Jones, Belfast

The Archbishop of Canterbury, Dr Runcie, told the people of Northern Ireland last night that the churches and their members had an obligation to support the authorities in Ireland against all paramilitary powers.

He was speaking at St Anne's Cathedral, Belfast, at a service attended by Princess Alexandra, who was on a one-day visit to the province.

After a leak on Monday that a member of the Royal Family was to visit Ulster, security was stepped up but the Princess went ahead with her visit, flanked by the extra measures. She visited the loyalist towns of Bangor and Banbridge and received an overwhelming welcome.

Both towns were patrolled and cordoned off by heavily armed police and "no vehicles" were allowed to enter without being checked.

Soldiers in combat gear were lined up on rooftops, but kept discreetly out of sight until the Princess had left.

Only the road blocks and the firepower, instantly to hand served as a reminder that to a minority of the population Britain represents a union with which they do not want to be associated.

"In the eyes of the people, the people made no secret of their Britishness. They beamed with pleasure as the Princess passed."

Dr Runcie, who was in Belfast for the consecration of

the new north transept of St Anne's Cathedral, preached a message of hope and reconciliation.

He said: "I pray with you that the moral sense and Christian conviction of Irish men and women may never become obscured and blunted by the ill of violence, that nobody may ever call murder by any other name than murder, that the spiral of violence may never be given the distinction of unavoidable logic or necessary retaliation."

Means exist in this society for change to occur peacefully by the building of trust and confidence between different groups in the community but the efforts that have been made in these directions have been gravely hampered by the destruction and the sordid brutality of violence," he said.

Referring to the gunmen on both sides of the conflict, Dr Runcie said some spokesmen for the hooded men seemed to speak as if violence were some kind of "scapel" to be wielded by a surgeon in an operation to cut out what they regarded as the diseased part of society and to return a body to health.

"In reality, the instrument, the scalpel, is diseased itself. It spreads infection throughout the body and infects those who take it up."

A policeman was injured outside Londonderry when a landmine exploded near a

police Land Rover and in the city police and soldiers came about fire.

□ The Ulster Defence Association, largest of the Protestant paramilitary groups, yesterday announced that it would be forming a new political party. The decision comes only six days after Mr Humphrey Atkins, Secretary for Northern Ireland, said he was considering proscribing the group after the discovery of arms at its headquarters.

The UDA claimed it had been considering the move for more than a year.

□ Granada Television said yesterday that it was optimistic that it would be able within a short time to broadcast its World in Action programme.

The Propaganda War, which was not shown on Monday after intervention by the Independent Broadcasting Authority (Katharine Gosling writes).

The content of the programme, on Northern Ireland, was being studied to determine the best way of meeting the IRA objections.

Correspondence to be released today by the National Viewers' and Listeners' Association after a complaint to Mr William Whitelaw, the Home Secretary, about television coverage in the province is expected to disclose the anxiety he feels about the way terrorism seeks to exploit the media.

Mr Haughey's campaign, page 21

Irish economy, page 21

## Fight over 50 pc rise for rail chairman

By Michael Bailey,  
Transport Correspondent

Government ministers are sharply divided over a £30,000-a-year pay rise for Sir Peter Parker, chairman of British Rail.

The Department of Transport is supporting a two-year renewal of Sir Peter's contract at £70,000-£80,000 a year instead of his present £48,000, plus freedom to enhance his private income from about £22,000 to £100,000-£150,000 a year.

The move is being resisted by the Treasury and Civil Service Department, who took over responsibility for nationalised board salaries from the top salaries review body some months ago.

Sir Peter's award, representing a 50 per cent rise when railwaysmen are being offered 7 per cent, would set the pace for similar rises for other nationalised chairmen. It would be heavily criticised by Sir Peter, who was earning £65,000 a year in the private sector, became BR chairman five years ago at £22,000. He is due to go in September, along with other board members, unless contracts are renewed soon. Uncertainty over his future and several executive board members is causing considerable embarrassment at BR.

Mr Norman Fowler, Secretary of State for Transport, to secure Government agreement to new terms.

Sir Peter is regarded as a great success and there is strong support for his retention not only from the Department of Transport but also from BR itself and the rail unions with whom he has formed a trusting relationship.

The UDA claimed it had been considering the move for more than a year.

□ Granada Television said yesterday that it was optimistic that it would be able within a short time to broadcast its World in Action programme.

The Propaganda War, which was not shown on Monday after intervention by the Independent Broadcasting Authority (Katharine Gosling writes).

The content of the programme, on Northern Ireland, was being studied to determine the best way of meeting the IRA objections.

Correspondence to be released today by the National Viewers' and Listeners' Association after a complaint to Mr William Whitelaw, the Home Secretary, about television coverage in the province is expected to disclose the anxiety he feels about the way terrorism seeks to exploit the media.

Mr Haughey's campaign, page 21

Irish economy, page 21

He has indicated that for family reasons he is not prepared to stay beyond two years. Indeed he may not stay that long unless he can win agreement from both Government and unions to his proposals for the future of the railways.

The key issue is a £1,000m investment in mainline electrification over 20 years which after an initially favourable reception was referred to the Government's think tank, the central policy review staff, whose report is not expected before the end of this month.

The key question is whether they are prepared to take a positive long-term view of the railways despite gloomy current performance which looks to be heading for a deficit of £100m this year.

Meanwhile the rail unions are adopting an increasingly militant stance at precisely the time when the Government will be looking for major advances in productivity to justify investment funds.

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

## Moscow renews attack

# Polish party has 'lost control'

From Michael Binyan, Moscow, June 2

In the most vigorous direct attack yet launched on the Polish Communist Party, the Russians today accused Poland's leaders of revisionism and opportunism.

The Department of Transport is supporting a two-year renewal of Sir Peter's contract at £70,000-£80,000 a year instead of his present £48,000, plus freedom to enhance his private income from about £22,000 to £100,000-£150,000 a year.

The move is being resisted by the Treasury and Civil Service Department, who took over responsibility for nationalised board salaries from the top salaries review body some months ago.

Sir Peter's award, representing a 50 per cent rise when railwaysmen are being offered 7 per cent, would set the pace for similar rises for other nationalised chairmen. It would be heavily criticised by Sir Peter, who was earning £65,000 a year in the private sector, became BR chairman five years ago at £22,000. He is due to go in September, along with other board members, unless contracts are renewed soon. Uncertainty over his future and several executive board members is causing considerable embarrassment at BR.

Mr Norman Fowler, Secretary of State for Transport, to secure Government agreement to new terms.

Sir Peter is regarded as a great success and there is strong support for his retention not only from the Department of Transport but also from BR itself and the rail unions with whom he has formed a trusting relationship.

The UDA claimed it had been considering the move for more than a year.

□ Granada Television said yesterday that it was optimistic that it would be able within a short time to broadcast its World in Action programme.

The Propaganda War, which was not shown on Monday after intervention by the Independent Broadcasting Authority (Katharine Gosling writes).

The content of the programme, on Northern Ireland, was being studied to determine the best way of meeting the IRA objections.

Correspondence to be released today by the National Viewers' and Listeners' Association after a complaint to Mr William Whitelaw, the Home Secretary, about television coverage in the province is expected to disclose the anxiety he feels about the way terrorism seeks to exploit the media.

Mr Haughey's campaign, page 21

Irish economy, page 21

He has indicated that for family reasons he is not prepared to stay beyond two years. Indeed he may not stay that long unless he can win agreement from both Government and unions to his proposals for the future of the railways.

The key issue is a £1,000m investment in mainline electrification over 20 years which after an initially favourable reception was referred to the Government's think tank, the central policy review staff, whose report is not expected before the end of this month.

The key question is whether they are prepared to take a positive long-term view of the railways despite gloomy current performance which looks to be heading for a deficit of £100m this year.

Meanwhile the rail unions are adopting an increasingly militant stance at precisely the time when the Government will be looking for major advances in productivity to justify investment funds.

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

Unions press for investment talks, page 2

## The House of Garrard Antiques Fair

JUNE 4-20



A silver coffee pot, highly polished, with engraved armillars. Made by George W. Jones, date George II, 1742.

Garrard warmly invite you to view an important collection in which every item is of exceptional quality. Robert Garrard, Paul Storr, George Wickes and Hester Bateman are among the many silversmiths represented and there is a very interesting selection of 17th and 18th century clocks. Important antique jewellery and snuff boxes are also included and all pieces on show are available for purchase.

The Fair is open in the Garrard Showroom on weekdays from 9.30 to 5.30 and Saturdays from 9.30 to 12.30.

112 REGENT STREET LONDON W1A 2JL  
TELEPHONE: 01-764 7020





# Militants prepare for total Civil Service strike

By Paul Routledge, Labour Editor

Militant local leaders in the Civil Service unions who fear a "sell-out" in the Government initiative to settle their pay dispute are making preparations for an unofficial, all-out strike.

That was disclosed last night as Lord Sargent, Lord President of the Council, who is responsible for the Civil Service, heard arguments from the Council of Civil Service Unions for an improvement in the pay offer.

About a hundred delegates from all over the country are expected in Manchester on Saturday to attend a campaign conference called by regional militants who suspect that a savage compromise on the union's 15 per cent pay claim is in the offing.

They will be urged by Manchester area CCU leaders to go back to the branches and regional councils and fight for an all-out, indefinite stoppage if the national leadership fails to give such a lead.

The talks yesterday with Lord Sargent described by union leaders as a "low key" will be resumed on Friday after a crucial Cabinet meeting tomorrow, at which the unions' threat to increase selective strikes from next Monday is likely to be discussed.

Mr Gerry Gilman, general secretary of the Society of Civil and Public Servants, said: "Everything is delicately balanced."

The two hours of talks covered salary rises for this year, prospects for 1982 and thereafter, and restoration of arbitration and pay comparability machinery.

The move for unofficial strikes action involves local leaders from all nine unions in dispute and comes towards the end of the thirteenth week of industrial action.

The strike resolution adopted by Manchester area civil servants says that the inconclusive talks between the unions and the Civil Service departments force them to hit the public harder, but insists that the Government is to blame.

Their contempt and the attempts to victimise civil servants must not succeed, the resolution said. "We therefore recognize that for financial reasons, among others, the campaign will soon be forced to escalate into an all-out strike."

Manchester declares its readiness to accept such a call but demands that the CCU leadership, both local and national, campaigns vigorously for the effective delivery of such action by the end of June.

Thousands of passengers were stranded at Heathrow airport yesterday as an air traffic centre and the oceanic control centre at Prestwick grounded all flights due to cross the Atlantic.

Mr Weighell emphasized that Sir Peter's long-term wish for improved investment was a "first-class chairman". But he added: "You drive good men out of public undertakings if you put on these ludicrous restrictions."

Mr Weighell said that the unions were not prepared to wait longer for the promised "second" joint meeting with Mr Fowler.

Since that promise in February the Government has referred the electrification issue to the Central Policy Review Staff, and ministers are known to be watching pay negotiations, which will go to the Railway Staff National Tribunal next week, and for progress on improvements to productivity in the system.

BR is expected to agree to a meeting with the unions and in principle to a fresh meeting with Mr Fowler.

BR management is unlikely, however, to be as enthusiastic as the unions in pressing for an immediate meeting with Mr Fowler, and will in any case suggest that it should be under the auspices of the Joint Railway Staff Council, which met Mr Fowler in February.

BR management is apparently reluctant to make any sudden move that might be read as an immediate reaction to union action on the Southern Region, which some officials attribute to concern over loss of earnings, particularly from cuts in weekend services.

Union leaders, whose anxieties have intensified because of the fresh plans for cuts in Inter-City services in October and May, made clear yesterday that they expected a sympathetic hearing from Sir Peter.

Mr Ronald Todd and Mr Jack Whyman, chairman and secretary of the union negotiators, are expected to tour plants, reviewing the message in person at factory meetings.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.

Although the company will want to mount effects on unofficial stoppages, the Ford management is likely to see the move as the first concerted attempt by the unions to persuade their members to stick by procedures.

# Rail unions press for investment meeting

By Donald Macintyre, Labour Staff

The three railway unions are seeking urgent talks with British Rail and the Government on investment and threats of extended unofficial action against cuts in the passenger network.

The unions agreed at a meeting yesterday to call for talks with Sir Peter Parker, the chairman of British Rail, before the end of the week to try to agree on a joint approach, within the next fortnight, to Mr Norman Fowler, Secretary of State for Transport.

The move came as an unofficial stoppage by National Union of Railwaymen guards based at Guildford caused the cancellation of about 180 of 1,500 services on the Southern Region's south-western division.

British Rail gave a warning last night that further disruption by guards at Waterloo station could affect services even more seriously today.

Mr Sidney Weighell, general secretary of the NUR, said after the meeting with the other two unions that he wanted members not to take unofficial action while the new moves took place.

He added, however: "If Mr Fowler tells us to stew in our own juice, what is happening on Southern Region will be chicken feed."

Mr Weighell emphasized that Sir Peter's long-term wish for improved investment was a "first-class chairman". But he added: "You drive good men out of public undertakings if you put on these ludicrous restrictions."

Mr Weighell said that the unions were not prepared to wait longer for the promised "second" joint meeting with Mr Fowler.

Since that promise in February the Government has referred the electrification issue to the Central Policy Review Staff, and ministers are known to be watching pay negotiations, which will go to the Railway Staff National Tribunal next week, and for progress on improvements to productivity in the system.

BR is expected to agree to a meeting with the unions and in principle to a fresh meeting with Mr Fowler.

BR management is unlikely, however, to be as enthusiastic as the unions in pressing for an immediate meeting with Mr Fowler, and will in any case suggest that it should be under the auspices of the Joint Railway Staff Council, which met Mr Fowler in February.

BR management is apparently reluctant to make any sudden move that might be read as an immediate reaction to union action on the Southern Region, which some officials attribute to concern over loss of earnings, particularly from cuts in weekend services.

Union leaders, whose anxieties have intensified because of the fresh plans for cuts in Inter-City services in October and May, made clear yesterday that they expected a sympathetic hearing from Sir Peter.

Mr Ronald Todd and Mr Jack Whyman, chairman and secretary of the union negotiators, are expected to tour plants, reviewing the message in person at factory meetings.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.

Although the company will want to mount effects on unofficial stoppages, the Ford management is likely to see the move as the first concerted attempt by the unions to persuade their members to stick by procedures.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.

Although the company will want to mount effects on unofficial stoppages, the Ford management is likely to see the move as the first concerted attempt by the unions to persuade their members to stick by procedures.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.

Although the company will want to mount effects on unofficial stoppages, the Ford management is likely to see the move as the first concerted attempt by the unions to persuade their members to stick by procedures.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.



Immediate future of Ark Royal assured

Mr John Nott, Secretary of State for Defence, yesterday guaranteed the immediate future of the Royal Navy's latest and most expensive surface warship.

Speaking on Tyneside after the launch of HMS Ark Royal, pictured above, Mr Nott said: "Ark Royal is going forward to completion." But he would not say whether all three new carriers, Ark Royal, Invincible and Illustrious, would enter service.

Mr Nott was replying to speculation which has suggested that the 16,000 tonne

anti-submarine carrier would be mothballed shortly after its launching.

HMS Illustrious is also being built on Tyneside by Swan Hunter and is in the final stages of fitting out and will shortly begin sea trials. HMS Invincible is already at sea.

Watched by a crowd of about 10,000 people, Queen Elizabeth the Queen Mother performed the launch of the vessel, the second to carry the name that she has

# Employers to be consulted on sick pay scheme

By Pat Healy, Social Services Correspondent

Mr Patrick Jenkin, Secretary of State for Social Services, yesterday confirmed that employers are to be consulted on the method of compensation for sick pay.

Speaking on Tyneside after the launch of HMS Ark Royal, pictured above, Mr Nott said: "Ark Royal is going forward to completion." But he would not say whether all three new carriers, Ark Royal, Invincible and Illustrious, would enter service.

Mr Nott said that the unions were not prepared to wait longer for the promised "second" joint meeting with Mr Fowler.

Since that promise in February the Government has referred the electrification issue to the Central Policy Review Staff, and ministers are known to be watching pay negotiations, which will go to the Railway Staff National Tribunal next week, and for progress on improvements to productivity in the system.

BR is expected to agree to a meeting with the unions and in principle to a fresh meeting with Mr Fowler.

BR management is unlikely, however, to be as enthusiastic as the unions in pressing for an immediate meeting with Mr Fowler, and will in any case suggest that it should be under the auspices of the Joint Railway Staff Council, which met Mr Fowler in February.

BR management is apparently reluctant to make any sudden move that might be read as an immediate reaction to union action on the Southern Region, which some officials attribute to concern over loss of earnings, particularly from cuts in weekend services.

Union leaders, whose anxieties have intensified because of the fresh plans for cuts in Inter-City services in October and May, made clear yesterday that they expected a sympathetic hearing from Sir Peter.

Mr Ronald Todd and Mr Jack Whyman, chairman and secretary of the union negotiators, are expected to tour plants, reviewing the message in person at factory meetings.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.

Although the company will want to mount effects on unofficial stoppages, the Ford management is likely to see the move as the first concerted attempt by the unions to persuade their members to stick by procedures.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.

Although the company will want to mount effects on unofficial stoppages, the Ford management is likely to see the move as the first concerted attempt by the unions to persuade their members to stick by procedures.

Mr Todd is also likely to emphasize the need to observe procedure at a meeting of works committees in London on June 12.

Although the company will want to mount effects on unofficial stoppages, the Ford management is likely to see the move as the first concerted attempt by the unions to persuade their members to stick by procedures.

# Choose me for unity, Silkin says

By Richard Evans, Political Staff

Mr John Silkin, the third man in the Labour Party's deputy leadership election, gave a warning last night of the "dangers" of Mr Wedgwood Benn or Mr Denis Healey winning the contest.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

"What is emerging, and this is what I am frightened of, is that in the event of either of those winning they are making it impossible to reconcile those who have been defeated to the winning cause."

He said there was a great deal of fear that what could emerge was a monolithic party where people demanded strict adherence to certain policies and any objectors had to get out.

Mr Silkin said that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

He said in an interview on BBC television's *Interview One* programme that the party was rapidly polarizing between left and right with Mr Benn and Mr Healey.

# Commons sketch

# Star turns by Foot and Thatcher

From Hugh Noyes, Parliamentary Correspondent, Westminster

All the ingredients for a parliamentary thriller of Agatha Christie proportions were on the House of Commons agenda yesterday.

What with Mr James Prior on unemployment, Mrs Margaret Thatcher and Michael Foot on almost everything under the sun, Mr Michael Heseltine on how to clobber local authorities, Mr Gerald Kaufman on witch-hunts and Mr Frank Ailman on the wickedness of the press barons, there was something for all tastes.

But if anyone was expecting the Prime Minister to stagger to the dispatch box with a dagger imbedded between her shoulder blades, or that Mr Prior would suddenly defect to the People's March for Jobs, there were soon to be disappointments.

Even Mr Heseltine appeared remarkably cool under fire, and the only hint of revolt came from Mr Julian Amery, the Ark Royal of the Conservative Party, who demanded an explanation from Mrs Thatcher over her reorganization of the Ministry of Defence.

But to those who follow the small print of ministerial statements there was a distinct note of pessimism to be detected in the latest version of the state of the recession.

Before the recess the oft-repeated wisdom in Treasury circles was that the recession had bottomed out, that an upswing was on the way and that there was light at the end of the tunnel.

To the more cynical of Opposition MPs, that was interpreted as meaning that the economy had reached rock bottom and could not possibly get any worse. To the Tories, however, those prophecies boosted morale and sounded as though the worst was over.

But yesterday the Prime Minister's version was that the recession was just about reaching bottom, or in other words we were still heading downwards.

Parliamentary report, page 8

# Haughey still ahead, and helped by a song

From Christopher Thomas, Portlargo, Co Offaly

Politics, religion and music overlap in Ireland in an intriguing and complex web. The current top-selling Irish record, for example, is a eulogy of Mr Charles Haughey, the Prime Minister.

Sung to a traditional Irish melody, it proclaims: "From southern glens to western shores, the ancient cry of freedom roars. From Northern hills to Leinster's door, we will rise and follow Charlie."

The Morrissey's a trio of bawdy, guileless and bawling village of Portlargo, in Co Offaly. They were still breathless from rushing from the last venue, and they were soon bundled into the car for the dash to the next town on the Prime Minister's itinerary.

Mr Haughey always looks out of place at these affairs. The millionaire politician, with his graceful ways and expensive tastes, looks incongruous in a crowd of farmers in gumbies and mothers overflowing with babes in arms, and the tipplers standing at the door of The Arches in the village square.

According to the latest opinion poll published in the *Irish Times*, he is slightly ahead of Dr Garrett FitzGerald, his main rival, in personal popularity. Mr Haughey's Fianna Fail party has lost much ground to Fine Gael in recent weeks, according to the poll, but remains ahead.

Nominations for the June 11 election closed at noon yesterday.

Seven women cleaners at the Department of Health and the claimed suspected murderer of seven from the department, who were working there, told a closed prison van. At yesterday.

The women, who worked for a contract cleaning company, had been heard gossiping about the hospital wing for over how easy it was to "fiddle" a system, the court was told.

They admitted a total of 14 charges of malpractice, declarations by no reporting their earnings while claiming supplementary benefit as asked for a further 14 offences. They considered they were owed a total of £71 plus costs and compensation.

Seven women cleaners at the Department of Health and the claimed suspected murderer of seven from the department, who were working there, told a closed prison van. At yesterday.

The women, who worked for a contract cleaning company, had been heard gossiping about the hospital wing for over how easy it was to "fiddle" a system, the court was told.

They admitted a total of 14 charges of malpractice, declarations by no reporting their earnings while claiming supplementary benefit as asked for a further 14 offences. They considered they were owed a total of £71 plus costs and compensation.

Seven women cleaners at the Department of Health and the claimed suspected murderer of seven from the department, who were working there, told a closed prison van. At yesterday.

# Pay dispute to halt ambulances

By a Staff Reporter

Ambulance men are to stage a series of 24-hour stoppages, but with emergency cover, after pay talks with National Health Service management broke down yesterday.

The national officers of the four unions representing the 17,000 ambulance men are to ask their executives to approve the action next week. Approval is virtually certain.

A date for the first stoppage will then be set. It will be the ambulance men's first national action since the winter of discontent in 1978-79.

Mr Robert Jones, secretary of the union side, said that if the management suspended any members the unions would immediately review the position.

The breakdown came after the management kept to the offer of a 71 per cent increase over 15 months, which the unions' membership had already rejected. That offer is within the government's 6 per cent cash limit for NHS pay.

The management did, however, offer a joint review of terms and conditions of service "to determine how far they meet the needs of the ambulance men in the 1980s."

Mr Jones said: "Our reaction is one of absolute and bitter disappointment that the management have not taken the message that an offer of 6 per cent is not adequate."

To maintain the level of the last independent award in 1979, an increase of 11.5-12 per cent was needed, not the 6 per cent offer.

Ambulance men have been pressing for a big rise, and for recognition as an emergency service, like the firemen and police. Mr Jones said that the management had recognized the ambulance service as part of the NHS emergency service, but there had been no commitment on pay.

# Telecom men's 11% 'top deal in public sector'

By David Felton, Labour Reporter

One of the final settlements in the current pay round which could embarrass the Government gives telecommunications engineers an 11 per cent rise and further payments for productivity.

The deal, for 130,000 members of the Post Office Engineering Union, which was agreed by the union's conference in Blackpool yesterday, guarantees an extra 2 per cent improved efficiency, with further payments available if agreed productivity targets are exceeded.

Delegates, who approved the deal by a 6-1 majority, were told by Mr Bryan Stanley, union general secretary, that the 11 per cent award was the highest increase in basic rates won by workers in the public sector in the present pay round, for which the Government set a 6 per cent limit.

He claimed that the basic increase was higher than deals agreed by the miners and electricity, gas and water workers, which have been regarded as pace setters in public sector pay.

The 11 per cent includes consolidation into basic rates of 2 per cent bonus payments agreed in earlier negotiations.

The next cent productivity payments will be paid in stages in December and January, being consolidated into basic rates for next year's pay settlement.

Mr Stanley said: "We are not cock-a-hoop over this deal. We would have liked to have got more, but we think this is the best settlement in the nationalized industries."

The handful of opponents to this year's deal claim that the leadership was wrong in suggesting the offer was better than those agreed for other public sector workers with industrial muscle and men with the union should press for a 20 per cent increase with no productivity strings.

Under the deal the minimum salary, excluding new productivity payments, of a technical officer will rise from £5,187 to £5,868, and the weekly minimum for a grade 2 technician goes up from £101.56 to £112.73.

Attempts by the Broad Left within the union to gain control of the POEU executive which when final results showed that the right wing had maintained its 14-9 majority.

A similar pay deal is being recommended to the annual conference of the Society of Post Office Clerks, which opens tomorrow in Harrogate.

# Pay dispute to halt ambulances

By a Staff Reporter

Ambulance men are to stage a series of 24-hour stoppages, but with emergency cover, after pay talks with National Health Service management broke down yesterday.

The national officers of the four unions representing the 17,000 ambulance men are to ask their executives to approve the action next week. Approval is virtually certain.

A date for the first stoppage will then be set. It will be the ambulance men's first national action since the winter of discontent in 1978-79.

Mr Robert Jones, secretary of the union side, said that if the management suspended any members the unions would immediately review the position.

The breakdown came after the management kept to the offer of a 71 per cent increase over 15 months, which the unions' membership had already rejected. That offer is within the government's 6 per cent cash limit for NHS pay.

The management did, however, offer a joint review of terms and conditions of service "to determine how far they meet the needs of the ambulance men in the 1980s."

Mr Jones said: "Our reaction is one of absolute and bitter disappointment that the management have not taken the message that an offer of 6 per cent is not adequate."

To maintain the level of the last independent award in 1979, an increase of 11.5-12 per cent was needed, not the 6 per cent offer.

Ambulance men have been pressing for a big rise, and for recognition as an emergency service, like the firemen and police. Mr Jones said that the management had recognized the ambulance service as part of the NHS emergency service, but there had been no commitment on pay.

# Telecom men's 11% 'top deal in public sector'

By David Felton, Labour Reporter

One of the final settlements in the current pay round which could embarrass the Government gives telecommunications engineers an 11 per cent rise and further payments for productivity.

The deal, for 130,000 members of the Post Office Engineering Union, which was agreed by the union's conference in Blackpool yesterday, guarantees an extra 2 per cent improved efficiency, with further payments available if agreed productivity targets are exceeded.

Delegates, who approved the deal by a 6-1 majority, were told by Mr Bryan Stanley, union general secretary, that the 11 per cent award was the highest increase in basic rates won by workers in the public sector in the present pay round, for which the Government set a 6 per cent limit.

He claimed that the basic increase was higher than deals agreed by the miners and electricity, gas and water workers, which have been regarded as pace setters in public sector pay.

The 11 per cent includes consolidation into basic rates of 2 per cent bonus payments agreed in earlier negotiations.

The next cent productivity payments will be paid in stages in December and January, being consolidated into basic rates for next year's pay settlement.

Mr Stanley said: "We are not cock-a-hoop over this deal. We would have liked to have got more, but we think this is the best settlement in the nationalized industries."

The handful of opponents to this year's deal claim that the leadership was wrong in suggesting the offer was better than those agreed for other public sector workers with industrial muscle and men with the union should press for a 20 per cent increase with no productivity strings.

Under the deal the minimum salary, excluding new productivity payments, of a technical officer will rise from £5,187 to £5,868, and the weekly minimum for a grade 2 technician goes up from £101.56 to £112.73.

Attempts by the Broad Left within the union to gain control of the POEU executive which when final results showed that the right wing had maintained its 14-9 majority.

A similar pay deal is being recommended to the annual conference of the Society of Post Office Clerks, which opens tomorrow in Harrogate.

# Pay dispute to halt ambulances

By a Staff Reporter

Ambulance men are to stage a series of 24-hour stoppages, but with emergency cover, after pay talks with National Health Service management broke down yesterday.

The national officers of the four unions representing the 17,000 ambulance men are to ask their executives to approve the action next week. Approval is virtually certain.

A date for the first stoppage will then be set. It will be the ambulance men's first national action since the winter of discontent in 1978-79.

Mr Robert Jones, secretary of the union side, said that if the management suspended any members the unions would immediately review the position.

The breakdown came after the management kept to the offer of a 71 per cent increase over 15 months, which the unions' membership had already rejected. That offer is within the government's 6 per cent cash limit for NHS pay.

The management did, however, offer a joint review of terms and conditions of service "to determine how far they meet the needs of the ambulance men in the 1980s."

Mr Jones said: "Our reaction is one of absolute and bitter disappointment that the management have not taken the message that an offer of 6 per cent is not adequate."

To maintain the level of the last independent award in 1979, an increase of 11.5-12 per cent was needed, not the 6 per cent offer.

Ambulance men have been pressing for a big rise, and for recognition as an emergency service, like the firemen and police. Mr Jones said that the management had recognized the ambulance service as part of the NHS emergency service, but there had been no commitment on pay.

The action would involve the whole ambulance service in 24-hour stoppages, but with emergency services still provided. The tactics would be decided on a day-to-day basis.







## Impatience grows in Italy at politicians' behaviour

From Peter Nichols, Rome, June 2

Signor Arnaldo Forlani today completed his first round of consultations in an effort to form a new government after his resignation a week ago in the wake of the "Masonic scandal".

No great atmosphere of optimism surrounds his talks with the party leaders, especially on the central issue of relations with the Socialists.

Signor Forlani is understood to be unwilling to form a government without them. But the Socialists so far have shown a lack of readiness to define their terms for returning to a coalition. Indeed it is not clear whether they want to come back into government at all for the moment.

The Socialist national executive is due to meet tomorrow and will presumably give an indication of the party's attitude. In the meantime the Masonic scandal remains as a cloud over the process of finding a government.

What is now emerging as the politicians go about their leisurely series of meetings, with their sensitivities sharpened more by the prospect of local government elections later this month than anything else, is a growing impatience with their behaviour from other branches of the state.

Already the Bank of Italy has made its voice heard about the fate of the lira in a suitably alarmed tone. Now it is the turn of the Foreign Ministry to seek to draw attention to the dam-

age of Italy's diplomacy caused by the fall of the Government. Had the Government not fallen, Signor Forlani would be in London today with Signor Emilio Colombo, the Foreign Minister. They had to cancel their visit to Signor Colombo placed unusual weight on the talks he had planned with Lord Carrington, the Foreign Secretary.

It is now almost exactly a year since Italy had to bring a solution to Britain's budget problems with the Community. The fact that Italy was in the chair at that time and had in Signor Colombo an experienced negotiator on European questions was valuable in that particular crisis.

The arrangement made then, however, was seen only as an interim step while the problem of the budget was studied by the Commission in Brussels and in talks between governments.

The Luxembourg summit at the end of this month was supposed to have taken up recommendations by the Commission and from individual governments. Signor Colombo had expected to see the German Chancellor here on June 17 and 18, but that is another occasion which will be sacrificed because of Italy's political problems.

The Italian hope was that the problem of the budget would go forward at Luxembourg and would probably see a permanent solution at the summit due in London at the end of the year.

## Japanese to end economic sanctions against Russia

From Peter Hazelhurst, Tokyo, June 2

Japan, the world's second largest industrialized power, intends to relax a series of economic sanctions which were imposed against the Soviet Union after the invasion of Afghanistan.

Mr Zenko Suzuki, the Prime Minister, is likely to inform European leaders of this decision when he travels to Britain, West Germany, Italy, Belgium, The Netherlands and France later this month.

Japanese officials said today that the Government had "reluctantly agreed" to relax sanctions against the Soviet Union in the wake of President Reagan's decision to lift a grain embargo against Moscow last April.

At that time Mr Suzuki declared that his Government had been taken by surprise because Washington had asked Japan to impose economic sanctions against the Soviet Union.

"We have no option but to relax sanctions because West Europe has not implemented an economic embargo. As a result Japan has lost several lucrative contracts," a government spokesman said.

Japanese firms are expected to be granted about £195m to assist the Soviet Union in constructing a pipeline to bring natural gas from Siberia to Western Europe.

Several Japanese officials said today that sanctions against the Soviet Union would be relaxed only in cases which would benefit the Japanese economy. Loans would not be granted for Soviet military projects.

It is understood that Mr Suzuki has already informed Mr Reagan that the Government had been forced to relax sanctions under the pressure of Japan's powerful business lobby.

The industrialists argue that while Japan has implemented an economic embargo against the Soviet Union at Washington's request, Moscow has awarded several big contracts to Western Europe.

Growing European and United States' traditional ally, refused to implement sanctions against the Soviet Union. We therefore do not see why Japan should continue to enforce an embargo and lose contracts to West Europe," an industrial spokesman said.

Japanese firms claimed to have lost various big contracts because of the sanctions against the Russians.



Dr Anatoly Koryagin: An appeal to Western colleagues.

## PSYCHIATRY EXPERT ON TRIAL

By Peter Reddaway

An appeal to foreign colleagues by a Soviet psychiatrist has reached the West just as he is about to stand trial on a charge of "anti-Soviet propaganda".

The trial of Dr Anatoly Koryagin, who is 42, is to open today in Kharkov, in the Ukraine. The charge carries a penalty of up to 12 years in prison and exile.

In February, Dr Koryagin was the last member to be arrested of the Moscow-based Working Commission to Investigate the Use of Psychiatry for Political Purposes. In April, an article by him analysing his work for the commission was published in *The Lancet*.

Dr Koryagin has a higher degree in psychiatry and, he says in his appeal, has practised in Soviet institutions for 17 years. Last September, he gave a press conference for foreign journalists in Moscow.

He says that it is impossible to keep quiet any longer about the monstrous political abuse of psychiatry in the Soviet Union. Although well-known psychiatrists no longer interned in psychiatric institutions the practice has become still more widespread.

The transformation of psychiatry into an instrument of politics "must be viewed as an attempt to distort the nature of this humane science". He praises the efforts of Western psychiatrists to combat these shameful abuses but points out that they have not been decisive enough.

Psychiatric organizations in various Western countries, including Britain's Royal College of Psychiatrists, have spoken out strongly in Dr Koryagin's defence.

Stability in the Gulf, or any other part of the Arab world, depended on something being done to resolve the Arab-Israeli dispute and Europe would continue to try to make a constructive contribution, Lord Carrington, the Foreign Secretary, said yesterday. He takes over as President of the Council of Ministers of the European Community next month.

However hard Britain and her European partners tried, progress would be slow and depend on the parties themselves, Lord Carrington said. The contents of a settlement must be negotiated by them, though the friends of both sides might perhaps help them to overcome some of the obstacles.

Addressing the Middle East Association, Lord Carrington said that if each side continued to insist that its demands alone were right and justified and must be met unconditionally by the other, there would be no progress.

"We must find a way to break the cycle of violence and begin to build the mutual confidence so essential if real negotiations are to begin. That is what we shall be trying to do in our limited confidence-building steps which have great significance."

Lord Carrington added that lasting peace could only be achieved through negotiations freely entered into by both sides, involving all the relevant parties.

King Hassan of Morocco will be attending the next annual summit of the Organization for African Unity (OAU) in Nairobi at the end of this month to put his country's case on the vexed question of the Western Sahara. He announced the decision at an international press conference at the Royal Palace yesterday.

"I will go to Nairobi to propose constructive solutions," he emphasized. But he would not be drawn into suggesting what these might be. "I will go to Nairobi because Morocco must put a full stop to this question of the Western Sahara. I will make my contribution. If I did not go, there is a risk that verbal excesses might occur which would make it necessary for us to break relations with some of the member states of the OAU, and it is not in the interests of Morocco for things to come to such a pass."

For the King to attend the OAU summit in itself a constructive gesture. He has not done so in some years.

According to informed reports in Rabat, he might accept the organization's proposal to hold a referendum in the Western Sahara. It could be a skillful move, and spike guns of the provisional government of the Saharawi Arab Democratic Republic (SADR) which has consistently rejected the very idea of a referendum. The grounds that the population of the Western Sahara has already clearly "self-determined" itself in favour of independence.

But, in fact, as Morocco now

effectively controls all the more populous areas of the former Spanish colony, the SADR fears such a referendum would go against it.

The Algerian and Libyan Governments are planning to make another determined attempt at Nairobi to obtain recognition for the SADR, in favour of which about 26 of the 50 members of the OAU voted at the Freecrow summit last year.

"If the OAU did so this time, and infringed the fundamental principles upon which it is based," the King emphasized, "it would break up. A number of other member countries would follow Morocco in leaving the organization."

In recent weeks, King Hassan has sent personal envoys to a

number of Western and Eastern countries to warn them against the danger of taking liberties with certain minimum standards of international behaviour.

SADR. Obviously, he regards this organization as nothing more than a Libyan and Algerian fifth column, without any revolutionary ideological basis at all.

Whatever contribution Morocco makes to a solution of the problem of the Western Sahara at Nairobi, it will clearly not involve abandonment of its claims over at least the northern, more populated, and economically potentially productive part of the area. King Hassan is determined not to yield on any essential Moroccan claims.

When the British presidency of the Community, which starts on July 1, will end.

The Italians feel strongly that the budget issue should be seen as something which goes beyond a bare financial accounting. While glad to have helped the British Government's determination to get some money back, the Italian view is that in future the correction of injustices arising from the budget should have a more constructive purpose.

This purpose is seen to be a new stimulus to economic integration. The Italians fully favour Lord Carrington's view that political consultation should be increased, but they are also intent on directing attention to economic problems.

The danger is seen here that the Community risks "death by asphyxiation" if fresh efforts are not made to promote a convergence of economic policies. This feeling has led to a re-thinking of the budget issue.

The Italian view, put at its simplest, is that if a member country's budgetary position is corrected by the repayment of money, the consequences should be increased, but they are also intent on directing attention to economic problems.

For the moment there is no indication how soon it will be before Italian diplomacy can return to being able effectively to put its views to its partners in ministerial meetings.

Two million desperate labourers enmeshed in illegal bondage

One family escapes Indian slavery system

From Our Own Correspondent, Delhi

They live in straw huts on a

baked and shelterless plain and

earn 20 rupees (£1.14) for

every thousand bricks they can

make. Between them they can

earn 4,000 bricks a day and

earn 4.50. The youngest mem-

ber of the family team is six

years old.

Over the past few months,

Swami Agnivesh and his men

have liberated 390 people from

bondage. They usually hire

labourers and drive to a kiln or

stone quarry and invite bonded

labourers to jump into the lor-

ries and escape. The swami's

activities have made him un-

popular among some politicians

and other groups as a left-wing

troublemaker.

Rescuing bonded labourers

does not solve the problem. It

is too deeply rooted, the swami

said. "The purpose is to draw

attention to an abuse. We hope

that in the long run there will

be reform."

Bonded labour was outlawed

by the Act of Parliament five

years ago, but the Gandhi

Peace Foundation here esti-

mates there are more than 2

million labourers in bondage in

10 states. Swami Agnivesh esti-

mates there are 5 million

throughout India.

The bondage system will

never be easy to eradicate

because of the need for cheap

workers in labour-intensive in-

dustries like agriculture, quarry-

ing and brick making. Besides

there is a reservoir of people

needing to earn a living, how-

ever bad the conditions.

Typically, people who be-

come enmeshed in the system

are poor country workers, often

drought victims desperate for

work. They are recruited by

middlemen known as jamadars

who promise them attractive

wages. Usually they are paid

an advance—and this is the bait

in the trap.

"Employers are adept at

manipulating ignorant and ill-

iterate people," the swami said.

"They tell them the advance is

a loan and that they must work

to pay it back. The workers

find that the advance keeps on

increasing in size. They cannot

move or sell their labour. They

get no wages for months or

years. They are slaves who

belong to the boss and are

bullied by his henchmen."

She told the press conference

that it was essential to build a

bridge between the popular

amateur sports and sport at the

highest levels so that each

should enrich the other.

The other junior ministry is

the Tourism Ministry, which is

headed by M Francois Adhrie.

He promised to involve every-

one interested in the subject to

work out a new tourism policy.

He pointed out that nearly half

the French population were unable

to go away on holiday and sug-

gested reforming the internal

market through "social

tourism," with better facilities

for everyone.

Singapore releases

dissidents

From David Watts

Bangkok, June 2

The Singapore Government

has released three men held for

alleged communist activities.

Two of them, Lee Tee Tong,

aged 49, and Ho Piao, aged 43,

had been detained since 1963

without charge or trial under the

Internal Security Act.

Mr Lee was a leading member

of the Barisan Socialist Party

and a trade union activist at the

time of his arrest. Mr Ho was

secretary-general of the

Seamen's Union.

The third man is Chwa Seh

Kea, 32, who, it is under-

stood, has been held since the

early 1970s.

In the early 1960s Singapore

was plagued with riots, strikes

and acts of arson and the Govern-

ment has maintained that the

Barisan Party was engaged in

a communist plot to seize

control.

At that time, before the

separation of Singapore from

the Malaysian Federation, many

trade union leaders, and

others were arrested. Some have

been released, but the Govern-

ment is thought to be holding

at least 30 people under the

Internal Security Act.

Those who have been re-

leased must live at a given

address and not leave the coun-

try without permission. They

cannot join political or other

groups and are forbidden to

contact other former political

detainees or give press inter-

views.

Senior Indian officials

have to learn Hindi

From Kuldip Nayar, Delhi, June 2

All senior officers of the

Government of India, from de-

puty secretaries upwards, will

have to acquire a working know-

ledge of Hindi within three

years.

Instructions have been issued

to all ministries and depart-

ments to prepare an appropriate

programme in accordance with

the Government's policy pro-

gressively to introduce Hindi for

the country's official business.

A scheme to teach Hindi to

foreign service staff is under

consideration. Letterheads, rub-

ber stamps and other stationery

items used in foreign missions

are bilingual in English and

Hindi. Delhi has also sent in-

structions to foreign missions

to use Hindi on invitation cards.

The official language com-

mission appointed in June 1955

recommended preparatory mea-

sures for the introduction of

Hindi in addition to English for

the country's official business

and for inter-state communi-

cations. In 1957, a parliamentary

committee endorsed the recom-

mendation which the Govern-

ment has accepted.

For the present there is no

restriction on the use of En-

glish for any official purposes

of the Union, though since 1965

Hindi has been made an addi-

tional one "for purposes to be

specified by Parliament by law

for so long as necessary."

What is the Government's

position, the use of Hindi in

government offices is nominal.

Virtually the entire work is

transacted in English and non-

Hindi-speaking states, such as

West Bengal, Kerala, Tamil

Nadu and Jammu and Kashmir

have been resentful about the

way Hindi is being "pushed

down the throats of non-Hindi-

speaking people."

Not long ago, the Kerala

Government protested against

receiving a communication in

Hindi from the central Govern-

ment and threatened to write

in future in Malayalam,

the official language of the

State.

King to plead Morocco's case on Western Sahara

From Charles Hargrove, Rabat, June 2

with some of the member states

of the OAU, and it is not in

the interests of Morocco for

things to come to such a pass.

For the King to attend the

OAU summit in itself a construc-

ive gesture. He has not done



# AS YOU'D EXPECT, THE ONE TIPPED TO GO THE DISTANCE HAS THE LOWEST STARTING PRICE.

Volvo 244DL	£6656
Rover 2300	£7061
Ford Granada 2.3L	£7235
BMW 520	£8150
Mercedes 200	£8700

Government statistics in Sweden show that Volvo has a life expectancy of 18.7 years. Longer than any other make of car.



# Begin's coalition takes lead in opinion poll

From Christopher Walker, Jerusalem, June 2

With only a month to go before Israel's general election, the latest opinion poll shows the ruling right-wing Likud coalition maintaining its recent remarkable recovery and moving ahead of the opposition Labour Party for the first time since the campaign began.

According to the poll in today's *Jerusalem Post*, the Likud stands to win 45 seats in the 120-member Knesset compared with 42 for Labour and 33 for the opposition. The poll also predicted that both parties would win 41 seats each.

The latest findings are seen as confirmation that the majority of the tough public attitude now being taken by Mr Menachem Begin, the Prime Minister, over the unresolved missile crisis with Syria. The recent reinforcement of the Golan Heights last week, which reported a 10 per cent jump in Mr Begin's personal popularity.

The full extent of the political comeback by the government is being judged by comparing the results of today's poll with those of a similar survey published in January. The poll was then predicting that Labour would win 58 seats compared with 40 for the Likud.

Today's findings have increased the growing feeling among diplomats that foreign governments will have to steel themselves for another four years of Israeli government under Mr Begin's uncompromising direction.

It has been no secret that many world leaders had previously been hoping that a return of a more moderate Labour administration would improve the chances of achieving a comprehensive peace in the Middle East.

Because of the complexities of coalition building in Israel, independent political commentators claim that the Labour Party under the leadership of Mr Shimon Peres would have to win about 10 more seats than the Likud to have an equal chance of forming the next government. The Likud is logically much closer to the two main religious parties which today's poll expects to win 12 seats in all.

A commentary published with the findings showed a sharp distinction between the supporters of the left and right wings of Israeli politics.

The Likud is stronger among the younger voters, oriental Jews, blue collar workers, the well educated and lower paid Labour, on the other hand,

## Israelis launch new raids on guerrillas

From Robert Fisk, Beirut, June 2

Israel's war of attrition against the Palestinian guerrillas in Lebanon continued this morning with an air raid against Palestinian targets in the south of the country, the second attack of its kind in six days.

According to both the Palestine Liberation Organisation (PLO) and the Israeli military command, the aircraft bombed guerrilla bases north of Tyre, in the area of Abul Aswad.

The assertion by Mr Menachem Begin, the Israeli Prime Minister, that his country would maintain its assault against the Palestinians in Lebanon has now been translated into action on an apparently regular basis.

An estimated 33 people, including guerrillas, Libyans, volunteers and civilians, were killed in last week's attacks around the town of Damour. The local Lebanese governorate office said that a further 30 people had been killed or wounded in today's air raid.

The Israeli aircraft spent almost an hour today attacking the Palestinian bases with rockets, turning over the Mediterranean and flying back over the coast for second and third bombing runs. The countryside north of Tyre and around Sarfand, the biblical Sardinia, with Palestinian guerrilla positions and the Israeli pilots must now know their geography only too well. Even the PLO no longer makes any pretence of disputing the Israelis' accuracy.

The right-wing voice of the *Jerusalem Post* said later that six Israeli jets had destroyed a three-storey building housing the regional command of the PLO guerrilla organisation.

Mr Begin says that the attacks on Palestinian guerrillas are not connected with the larger crisis involving Syria, although this is not a view held by the Government in Damascus.

The state-controlled daily newspaper, *Tishrin*, noted in Damascus this morning that a cessation of Israeli air raids in southern Lebanon was a condition for the success of Mr Philip Habib's peace mission in the Middle East.

According to *Tishrin*, the Israelis must halt their reconnaissance flights over Lebanon and permit Syrian troops to deploy whatever weapons they need, including anti-aircraft missiles, in the country.

But the newspaper's demands were far from being totally intransigent. It also said that the United States should recognize Lebanon as an independent state and "drop any objection to the performance of the [Syrian] force as long as it operates within the framework of the Lebanese Government."

The Americans are in fact quite happy to acknowledge that the Syrians have a legitimate role to play in Lebanon and the Syrians are clearly signalling to Mr Habib that such a statement from the United States would produce some restraint on their part.

Restraint was the very quality which both sides in the Beirut fighting were promising to exercise this morning after two days of random and indiscriminate shelling of residential areas in both Christian and Muslim sectors of the Lebanese capital.

In one of those peculiarly Lebanese agreements that will be remembered for its cynicism as much as for its apparently good intentions, Phalangist and leftist militias confirmed that they would no longer fire artillery at innocent people on either side but would continue to shoot at each other along the Beirut front line. In effect, this means that a civilian still has to risk a sniper's bullet when he travels from east to west Beirut but can relax once he gets home.

At least 37 people died in the city in the past two days, many while sunbathing on the beaches of the Mediterranean. Newspapers carried terrible photographs of the dead today: the *pro-Phalangist* *Amal* carried a series of pictures of dead children.



## Poles outraged by attack on leaders

From Dossa Trevisan, Warsaw, June 2

The divisions within the Polish Communist Party became sharper today as resolutions voted by regional party organisations carried a strong wave of protest against attacks made by the Katowice Forum on party reform. But party elections which are under way at local levels throughout the country are already showing that many of the people who have been associated with past leaderships are on their way out.

Clearly this was a signal for the conservatives' counter-attack. The Katowice Forum accused the party leadership of passive and opportunist attitudes towards a dangerous trend which threatens to usher in liberalism, anarchy and a whole array of deviations.

Another two groups are also taking up a conservative position. These are *Grunwald*, which has a distinct anti-semitic flavour and claims to have 100,000 members, and *Warsaw 80*, a debating club of party intellectuals. Both represent varying shades of conservatism and are united in their profound belief that the party is threatened by extreme reformers and that social-democratic ideas might prevail in the end.

The concern being voiced by the Soviet media has been given further impetus by official statements about mounting crime and civil disobedience. These seemed to give a picture of a general decline of law and order, and of hostility towards the police.

The Polish Government has recently disclosed that there have been individual incidents in which Soviet soldiers were insulted. Relations between Soviet soldiers and the Polish population in Lignica, where the general headquarters of the Soviet troops in Poland is situated, have always been uneasy. But incidents involving them were never publicized and usually settled quietly by the authorities concerned.

The Czechoslovak *Pravda* reminds the Polish Communist Party of its international responsibilities. In Bulgaria, the party newspaper *Rabotnichesko Delo* notes the official announcement of the increasing crime rate and attacks on Soviet soldiers and concludes that this is creating an anti-Soviet atmosphere.

## Walesa is ready to step down

From Our Correspondent, Geneva, June 2

Mr Lech Walesa, leader of the Polish Solidarity movement, said today he was "really tired" and was ready to retire from his post.

"The task I set myself 13 years ago has been fulfilled. That is why I am ready to step back at any time—as soon as my colleagues and friends will allow me."

He was answering questions at a news conference before the opening here tomorrow of the International Labour Conference. Mr Walesa heads a nine-member Polish workers' delegation.

After having "about four hours to myself" since September, he would like to give more time to his family, particularly to his children's education. "You know we have problems with my 11-year-old son trying to change the head of his school," he said amid laughter.

Mr Walesa said he would always be interested in Solidarity, which he had met so much of my life and health.

Of the late Cardinal Wyszyński, he said: "The Church and the cardinal were foundations of what we achieved. He taught so many generations... (he is) an enormous loss. We must try to find a worthy successor."

He described criticism of developments in Poland as "an internal party matter. It does not interest us as a union."

Asked whether Solidarity could see itself sharing power with the Government, Mr Walesa said the authorities should concern themselves with political matters and unions should control and protect the interests of the workers.

"We do not wish power sharing, as we do not aspire to such power... We are a social movement and yet really a professional union." Strikes should be a "defensive weapon" used in a rational way, he said.

The Poles had been exporters of agricultural products and they were going to ensure the country was again at least self-sufficient. If the "Polish experiment" helped elsewhere, they would be happy about it.

Mr Walesa's Polish policeman colleagues in their demand to set up a union (Dossa Trevisan writes).

Regional police delegates came to Warsaw for talks with the Government, but so far negotiations have not begun.

## Mourning nation faces critical testing time

From Trevor Fishlock, Dhaka, June 2

The people of Bangladesh buried their murdered President today. The question now is whether the democratic system that is part of his legacy will survive; the country faces a critical test over the coming months.

Under the constitution there must be a presidential election by November 26 and the Bangladesh National Party (BNP), founded by President Zia, was now free to find an acceptable candidate.

If party members fail to agree and fall out over a candidate, the various opposition groups will question the party's fitness to run the country. In that event the political situation could deteriorate to the extent that the Army may feel there is no alternative to military rule.

Under the constitution H. M. Ershad, the army chief, would be a rather reluctant martial law administrator. He is a career officer in his late forties and is not known to harbour political ambition.

The BNP was launched by President Zia in 1978 under his own chairmanship. In the general election two years ago it won 220 of the 300 National Assembly seats and the President ended martial law.

His critics have always complained that the setting up of a democratic system was a facade and that the President retained complete power. President Zia never pretended that Bangladesh had a mature democratic structure.

He regarded the assembly and cabinet as a growing plant. "We began to build leadership," he used to say.

Within the BNP there are a number of people who might make presidential candidates, including Dr Bedriddin Chowdhury, an Edinburgh-trained doctor in his early forties who is secretary-general of the party.

He shared the President's ideas about the economic, social and political development of the country.

The largest opposition group, the Awami League, will have to bury its numerous differences in selecting a candidate. The most likely choice is Mrs Hasina Wazed, the group's leader. There is no truth in a report that she was arrested two days ago.

The Government's position is that in one important respect Bangladesh remains as President Zia left it—a democracy. When the President was killed, a state of emergency was declared, not military rule. There was no curfew in Dhaka and soldiers were out only to guard key installations.

Mr Justice Abdus Sattar, the acting President, says the state of emergency will be ended as soon as possible. The crisis places a strain on him. He is 75 and has not been well for some time.

The state funeral and burial of President Zia was watched by hundreds of thousands of people in Dhaka. The coffin was conveyed through the streets in an army truck to an open place where prayers were said. There was a remarkable moment when a huge crowd fell silent and prayed.

The coffin was transformed to a gun carriage and taken for burial to the grounds of the new parliament, which is still being built.

Bangladesh is in a state of shock and there is no doubt that its people feel a deep sense of loss. There is still mystery surrounding the fate of Major General Abdul Manzur, the leader of the hopeless and brutal rebellion in Chittagong. He fled into the Chittagong hills with his wife and three children. Newspapers today said he had been captured and that two of his accomplices were also caught, but there has been no official confirmation of this.

Nor was there confirmation of a report that while in custody, General Manzur had been riddled with bullets by angry soldiers. Tonight there was no sign—dead or alive—of the man who placed Bangladesh's future in the balance.

A military tribunal is to start an investigation into the assassination. About 15 army officers have been arrested.

The BNP was launched by President Zia in 1978 under his own chairmanship. In the general election two years ago it won 220 of the 300 National Assembly seats and the President ended martial law.

His critics have always complained that the setting up of a democratic system was a facade and that the President retained complete power. President Zia never pretended that Bangladesh had a mature democratic structure.

He regarded the assembly and cabinet as a growing plant. "We began to build leadership," he used to say.

Within the BNP there are a number of people who might make presidential candidates, including Dr Bedriddin Chowdhury, an Edinburgh-trained doctor in his early forties who is secretary-general of the party.

He shared the President's ideas about the economic, social and political development of the country.

The largest opposition group, the Awami League, will have to bury its numerous differences in selecting a candidate. The most likely choice is Mrs Hasina Wazed, the group's leader. There is no truth in a report that she was arrested two days ago.

The Government's position is that in one important respect Bangladesh remains as President Zia left it—a democracy. When the President was killed, a state of emergency was declared, not military rule. There was no curfew in Dhaka and soldiers were out only to guard key installations.

Mr Justice Abdus Sattar, the acting President, says the state of emergency will be ended as soon as possible. The crisis places a strain on him. He is 75 and has not been well for some time.

The state funeral and burial of President Zia was watched by hundreds of thousands of people in Dhaka. The coffin was conveyed through the streets in an army truck to an open place where prayers were said. There was a remarkable moment when a huge crowd fell silent and prayed.

The coffin was transformed to a gun carriage and taken for burial to the grounds of the new parliament, which is still being built.

Bangladesh is in a state of shock and there is no doubt that its people feel a deep sense of loss. There is still mystery surrounding the fate of Major General Abdul Manzur, the leader of the hopeless and brutal rebellion in Chittagong. He fled into the Chittagong hills with his wife and three children. Newspapers today said he had been captured and that two of his accomplices were also caught, but there has been no official confirmation of this.

Nor was there confirmation of a report that while in custody, General Manzur had been riddled with bullets by angry soldiers. Tonight there was no sign—dead or alive—of the man who placed Bangladesh's future in the balance.

A military tribunal is to start an investigation into the assassination. About 15 army officers have been arrested.

The BNP was launched by President Zia in 1978 under his own chairmanship. In the general election two years ago it won 220 of the 300 National Assembly seats and the President ended martial law.

His critics have always complained that the setting up of a democratic system was a facade and that the President retained complete power. President Zia never pretended that Bangladesh had a mature democratic structure.

## Carrington lists tasks for British EEC presidency

By David Spanier, Diplomatic Correspondent

Lord Carrington set out for the first time yesterday what he hopes to achieve during Britain's presidency of the European Community, which runs for six months from July 1.

In effect, the Foreign Secretary explained, it is only a four and a half month term, because everyone in the Community takes August off and the end of the year is shortened by the Christmas break.

Nevertheless, Lord Carrington told the select committee on European Communities in the House, there is much to be done. In the sphere of the Community's internal relations, a solution on restructuring the budget had to be reached by December 31. If not, it was obvious there would be some difficulties with next year's budget.

The task had been made a little more difficult by the arrival of a new Government in France, because it naturally needed time to prepare its position, he said. But it was fortunate that M Cheysson, the new French Foreign Minister, knew more about the Community than anybody else in his situation. Restructuring also included reform of the Common Agricultural Policy with the emphasis on holding down spending.

Other issues Lord Carrington mentioned under internal policy included resolving the fisheries dispute and promoting operation of the Common Market itself, for instance by removing restrictions on insurance. He also hoped to "push ahead" with an energy policy.

In external affairs, the most closely watched issue would be the Middle East. Here again, he said, it was difficult to say how we will take it forward, the Foreign Secretary admitted. They had not yet heard the report of the Dutch Foreign Minister who, as President of the Community, has been touring Middle Eastern capitals. The result of the Israeli election was still an unknown factor.

He also emphasized the importance of enlargement of the Community, where Britain's responsibility would be to help bring forward the Spanish and Portuguese negotiations for membership. The fact that restructuring of the budget was still to be settled made the task, in some degree, more difficult.

Lord Carrington spoke enthusiastically about strengthening political cooperation among the ten. "I am always deeply suspicious of blueprints and theories," he declared. "I would hope that if we had the general wish and agreed to cooperate more in Europe, a consensus would develop from that. I would be hesitant to propose any solution that would cause anxiety in any country; federalism or confederalism." Did he believe in a federal Europe? he was asked. "I don't believe I shall live to see it."

While the Army, Navy and Air Force are assisting the police in the north, the civil rights movement and the Movement for Inter-Racial Justice and Equality have called on the Government to protect the people from lawlessness and terrorism by the armed services.

The United States today gave Nicaragua a warning about receiving Soviet tanks from Cuba. A State Department spokesman, who said reports of the presence of the tanks could not be confirmed totally, said the arrival of any Soviet heavy armour or aircraft in Nicaragua would pose serious problems for that country's neighbours in Central America.

He was responding to a report in the *Washington Post* today, which said several T-55 heavy tanks had been shipped recently to Nicaragua as part of a long-term plan to provide it with heavy Soviet armour and MiG fighter aircraft.

The newspaper said the evidence consisted of reliable intelligence reports that large pieces of equipment, covered with tarpaulins to prevent identification, had been seen being unloaded from Cuban transports at night in Nicaragua, under tight security.

The spokesman said: "Some Soviet tanks may have arrived and some (others) may still be in Cuba." Señor Daniel Ortega, the head of Nicaragua's revolutionary junta, said the reports were totally unfounded.

## US tells Nicaragua not to accept Soviet tanks

From David Cross, Washington, June 2

The United States today gave Nicaragua a warning about receiving Soviet tanks from Cuba. A State Department spokesman, who said reports of the presence of the tanks could not be confirmed totally, said the arrival of any Soviet heavy armour or aircraft in Nicaragua would pose serious problems for that country's neighbours in Central America.

He was responding to a report in the *Washington Post* today, which said several T-55 heavy tanks had been shipped recently to Nicaragua as part of a long-term plan to provide it with heavy Soviet armour and MiG fighter aircraft.

The newspaper said the evidence consisted of reliable intelligence reports that large pieces of equipment, covered with tarpaulins to prevent identification, had been seen being unloaded from Cuban transports at night in Nicaragua, under tight security.

The spokesman said: "Some Soviet tanks may have arrived and some (others) may still be in Cuba." Señor Daniel Ortega, the head of Nicaragua's revolutionary junta, said the reports were totally unfounded.

## COALITION DIVIDED ON BUDGET

From Patricia Clough, Bonn, June 2

Deep differences emerged today between the Social Democrats and Free Democrats coalition partners over the crucial question of where to make big cuts in state spending.

The conflict came into the open in a Bundestag debate on the budget for the second and third readings of the relatively little-disputed 1981 budget but everyone's mind was on the 1982 budget which could wreck the coalition.

The two Government parties are agreed that in 1982 they should make cuts of some 15,000 marks (£3,000m) but cannot agree how. Herr Hans Dietrich Genscher, the Social Democrat leader, has alarmed the Free Democrats by calling for severe cuts in social spending and a restructuring of welfare.

A Social Democrat speaker made it clear in the Bundestag today that his party would not tolerate any deep cuts in welfare services. Herr Klaus Grottel, the Free Democrat spokesman, said that for his party social security had at least the same importance as national security.

He was replying to Herr Hans Grottel Hoppe, the Free Democrat deputy chief whip, who had demanded a change in social spending policy and insisted there must be no taboos. Herr Hans Grottel, the Finance Minister, tried to defuse the debate by saying it was too early to discuss the 1982 budget. The West German economy, he reassured his party colleagues, was healthy enough to afford welfare services which are worthy of the name.

The Opposition, whose most serious election attack on the Government last autumn was the extent of state indebtedness, today accused the coalition parties of bringing the country to a catastrophe. Opposition speakers attempted to use the subject as a wedge to prise the coalition apart. Knowing that the views of the Free Democrats are in many ways closer to their own than to the Social Democrats.



M Georges Marchais (right), the French Communist leader, puts his argument across to M Lionel Jospin (left), first secretary of the French Socialist Party, and M Paul Quilès, the Socialist Party's headquarters in Paris yesterday.

## Socialists yield little to Marchais

From Ian Murray, Paris, June 2

The difficult talks aimed at producing a form of common programme for the Communist and Communist parties in time for the legislative elections on June 14 and 21 got under way today, but were adjourned until Thursday after nearly six hours of "frank and serious" discussions. A small working group is to meet tomorrow to try to prepare for the next full meeting.

With the election of President Mitterrand and with opinion polls continuing to show strong support for them, the Socialists are very much in the driving seat in these discussions. The Communists are believed to be prepared to make considerable concessions on condition that there are assurances that Communist ministers will be appointed.

The Socialists are generally not inclined to deviate much from the programme which succeeded in bringing the new President to power. They are

likely to be wary of making any pre-election commitment to the Communists about post-election ministerial posts: in case this might prejudice their election chances.

Mr Georges Marchais, the Communist leader, has already said he believes agreement is possible, is being pressed to condemn two pieces of Soviet foreign policy which have particularly alarmed the Socialists. These are the intervention in Afghanistan and the deployment in Europe of Soviet SS20 missiles.

As far as domestic politics are concerned the chief point at issue has been how to finance the 'social' programme both parties would like to introduce. When new taxes have to be raised to pay for the social programme the Communists are going to be required, before they can be considered for office, to accept the principal of collective responsibility. The Socialist Party does not intend to find Communist ministers re-

fusing to support unpopular measures.

Just how many concessions the Communists will give in return for no positive commitments from the Socialists remains to be seen and negotiations could continue after the elections. For the moment, however, the Socialists are being forced to accept that he has little or no bargaining power with the Communists, who are giving every impression of being able to make do without Communist help if need be.

While the talks proceeded, M Pierre Mauroy, the Prime Minister, continued his round of meetings with the Government's social partners. In a statement published this evening he spoke of the need for progress and surgery. It would be wrong, he said, to compromise the future of the country when the overall economic situation was particularly difficult and there were heavy liabilities left over from the previous Government.

Yesterday Mr Bani-Sadr was publicly censured by a special three-man commission of clergy-men, set up to resolve the political battle. The commission said that the President's recent comments had countermanded the orders of Ayatollah Khomeini to remain silent on controversial issues. It vaguely hinted that he would be reported for possible prosecution.

At the same time, however, the President's commission was reluctant to take the final logical step of removing Mr Bani-Sadr from office—a step which could seriously damage the war effort against Iraq.

Mr Bani-Sadr himself has vowed that he will not launch an offensive on the "internal front" until the war is over.

With the apparent support of Ayatollah Khomeini, the fundamentalists seem bent on replacing Mr Bani-Sadr's political appointments and reducing the presidency to a purely ceremonial office—a growing consensus seems to be that sooner or later there will have to be a showdown.

Leading article, page 17

## Bani-Sadr's legal aide sent to jail

From Tony Allaway, Tehran, June 2

Iranian legal officials today confirmed the arrest of a second member from President Bani-Sadr's office. The President is under mounting political pressure from his fundamentalist opponents.

The Tehran Revolutionary Prosecutor's office announced that Mousheer Massoudi, the President's legal adviser, had been arrested at his office in the presidential palace. The President's revolutionary guards on Sunday arrested him.

Another of the President's aides is already in the prison, charged last month with stealing documents from the Foreign Ministry.

Today's announcement said Mr Massoudi had been charged with charges, including working with a network smuggling foreign exchange and "counter-revolutionaries" from the country, bribery, extortion and "collaboration with agents of the former regime."

Fifteen other people, including two "false clergy-men" had also been arrested, the statement said. The newspaper *Mizan* stated that revolutionary guards had searched Mr Massoudi's home for nine hours, taking away papers, cassettes, photographs and books.

The President received another official blow today when Mr Hossein Nemazi, the Economics and Finance Minister, said that an investigation of Mr Ali Reza Nobari, the governor of the Central Bank and a close ally of the President, showed he was not fit for the post.

Mr Bani-Sadr said at a press conference on Saturday that Mr Nemazi had assured him of his loyalty, which the President had asked for, had revealed no deficiencies in the governor.

Almost every day now the President, who is also commander of Iran's forces in the Gulf war, finds himself increasingly hemmed in by his political opponents. Already they have negated his power to block ministerial appointments and have taken other key appointments out of his hands.

The two newspapers that still support him and other moderate political groups are under increasing pressure and legal files concerning the President himself are waiting to be reviewed at any given moment in the revolutionary courts.

Yesterday Mr Bani-Sadr was publicly censured by a special three-man commission of clergy-men, set up to resolve the political battle. The commission said that the President's recent comments had countermanded the orders of Ayatollah Khomeini to remain silent on controversial issues. It vaguely hinted that he would be reported for possible prosecution.

At the same time, however, the President's commission was reluctant to take the final logical step of removing Mr Bani-Sadr from office—a step which could seriously damage the war effort against Iraq.

Mr Bani-Sadr himself has vowed that he will not launch an offensive on the "internal front" until the war is over.

With the apparent support of Ayatollah Khomeini, the fundamentalists seem bent on replacing Mr Bani-Sadr's political appointments and reducing the presidency to a purely ceremonial office—a growing consensus seems to be that sooner or later there will have to be a showdown.

Leading article, page 17



# RECESSION BUSTING



by Sir Freddie Laker

Up and down the country all people talk about is recession — that's the trouble. While we're talking our foreign competitors are out working and taking our business.

It needn't be so. In 1977, when Laker Airways first proved that comfort and low cost could be reconciled, Laker was 29th out of 29 airlines in passengers carried across the Atlantic.

By 1980 Laker was fifth out of 43. How? By spending, not cutting back; employing, not laying off. We invested in more wide-bodied jets, installed the most sophisticated computer technology, hired top pilots and cabin staff and developed the most comprehensive training techniques.

The result was a record 923,000 passengers carried. And fares at their most competitive ever.

**THE SAVING FOR BRITISH BUSINESS IS STILL GREAT  
AND THE MESSAGE STILL CLEAR.  
IF YOU THINK LIKE LAKER YOU'LL SPEND  
TO SELL: IF YOU FLY LAKER  
YOU'LL SPEND LESS AND SELL MORE.**

Why? Because you can afford to send more salesmen, more engineers, more bankers, more buyers more often to your most important market. And they'll get to the same key airports in the same time, with the same comfort and service as the expensive airlines.

We have to get it right because we can't ask the taxpayer to subsidise our mistakes. We have to offer real savings because we can't afford to lose goodwill through gimmick fares and discount cabins. We have to offer the same level of in-flight entertainment for less otherwise you'd feel cheated. And we have to offer full meal service with wine, bar and duty-free shop at the lowest fare or else you'd say 'that's not like Laker.'

And you'd be right. We run a scheduled daily transatlantic service, not cheap charter flights.

It starts from Gatwick, which is close to London and served by frequent main line trains from Victoria. You can relax from the moment you get on the train to the moment you get off the plane.

**SO WHY AREN'T MORE BUSINESSMEN TAKING LAKER TO AMERICA? ARE WE ALL MAKING SO MUCH PROFIT THAT VALUE FOR MONEY IS MEANINGLESS? DO PEOPLE STILL BELIEVE IT DOESN'T MATTER WHAT YOU PAY TO FLY BECAUSE IT'S ALL TAX DEDUCTIBLE?**

No fare is tax deductible unless you're making a profit. Corporation tax takes 52% of that; are you going to blow the other 48% on spendthrift airfares?

A Laker Super Economy can save you hundreds over any other economy fare — and it's just as free and easy. You can book any time, fly any time, extend your stay if opportunity knocks, shorten it if head office can't do without you — or combine business with pleasure and take the family.

Since children under 12 fly half fare it will hardly add to the bill.

For the high-flying businessman who wants to get there and back quickly, even greater savings are possible with the Laker 8-day Walk-On.

And the Same Day Walk-On offers the ultimate in value if you book and fly the same day.

You pay the same low prices whether you fly from Gatwick, Manchester or Prestwick.

Note that all Laker seats are bookable in advance — and easily bookable through any travel agent.

Laker flies up to 65 times a week to America, with 22,425 seats each way. That's a lot of flights and a lot of seats.

I've taken off all I can. Now it's your turn.

DESTINATION	LAKER SUPER ECONOMY	LOWEST I.A.T.A.* ECONOMY RETURN	YOU SAVE
NEW YORK	£268	£428	£160
LOS ANGELES	£338	£607	£269
MIAMI	£238	£472†	£234
TAMPA	£238	No direct flight	No comparison

Fares quoted effective to June 30. For full details contact your travel agent.  
\*International Air Travel Association: Pan Am, British Airways and TWA are leading members.  
†Non I.A.T.A. Air Florida fare is £238 return.

**LAKER**  
**Skytrain**  
Trade mark SCHEDULED AIR SERVICE

Let's get Britain off the ground

★ ★ NEW YORK ★ LOS ANGELES ★ MIAMI ★ TAMPA ★ ★



## PARLIAMENT June 2 1981

## Pay rises and output must go hand in hand

The level of inflation would continue to fall and the recession had just about reached bottom, Mrs Margaret Thatcher, the Prime Minister, said in the House of Commons when she faced several questions about the high level of unemployment.

Thatcher pointed out that in the United Kingdom a higher proportion of the population were in work than in any other country in Europe.

The answer to unemployment (she said) lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Michael Foot, Leader of the Opposition (Edinburgh, Lab.), asked: "What are the Prime Minister's latest thoughts about the so-called 'openness' in the economy which she sometimes professes?"

How do the appalling unemployment figures published a few days ago, and the figures about continuing falls in production, added with her previous remarks about the upturn going to take place and when are the unemployment figures going to begin to fall?

Mrs Thatcher (Barnet, Finchley, C): Most of the recent forecasts agree with two things. First, that the level of unemployment is likely to fall and, second, that the recession has just about reached bottom. (Labour interruptions.)

How far were forecasts on hand? MPs would have thought that encouraging.

The forecasts do not wholly agree about when the expansion will begin for the simple reason that when it comes depends on how far we take advantage of the opportunities that are available, how far we increase our hands-on management of the economy, and what proportion of orders we get on the home market and the export market.

Mr Foot: Would the Prime Minister be more specific in translating her statement about the turn-around which is about to happen?

When is that going to be translated into some effect on the unemployment figures? (Labour cheers.)

Does she agree with the extraordinary statement made by the Secretary of State for Employment to the People's March for Jobs that he is going to pretend that unemployment was nothing to do with him and his Government?

How does the Prime Minister react to that? In this country there is a high proportion of the population are in jobs, in work, than in any other country.

small number of cases of people born abroad whose births were registered at consulates as a result of their fathers' deaths, and they were not to be taken into account in the calculation of the number of people born in the United Kingdom.

Mr David Price (Barnet, Finchley, C) asked whether the new clause would be taken into account in the calculation of the number of people born in the United Kingdom.

Mr Raison (Aylesbury, C) said the Government believed that the current arrangements for the transmission of citizenship as a result of consular registration were not satisfactory. They operated only if the father was a citizen by descent, and did not extend to cases where only the mother was such a citizen.

A significant extension of the descent arrangements was contained in the proposal that women as well as men should be able to pass on British citizenship to children born to them in the generation overseas. This enormously increased the chances of a child born overseas having a British parent who could derive British citizenship.

The extension of transmission rights to women was not just a technical change, but a marked effect on the extent to which British citizenship could be passed on.

The Bill also proposed a generous system of registration of citizenship for those who had various forms of overseas employment at the time of their birth. This applied to birth in Commonwealth countries as well as in foreign countries.

The Government had taken careful note of the points made to it. This was therefore another area where those who were concerned about the transmission of citizenship might find that they had a right to register their citizenship.

It was said that people sent abroad by their employers for fixed terms would be penalized by the absence of consular registration in the future. This was a serious misunderstanding of the overall effect of the Bill. It would unlikely that in such cases neither parent would be a British citizen born here and so unable to transmit.

The descent arrangements in the Bill were at least as generous as those which applied under the current legislation. They were certainly more generous in their application to the children of Commonwealth citizens who had no access to a form of consular registration.

Mr Michael Mates (Petersfield, C) said there was one group of people who would be unfairly treated if the Bill was not changed. They were the people born overseas of British subjects, citizens of the United Kingdom and colonies with right of abode here, who up until the Bill became law could transmit their citizenship to their children, but would not be able to do so if the Bill was not changed. They were the people born overseas of British subjects, citizens of the United Kingdom and colonies with right of abode here, who up until the Bill became law could transmit their citizenship to their children, but would not be able to do so if the Bill was not changed.

He wanted to put right those

## UNEMPLOYMENT

try in Europe, save Denmark. Mr Peter Horrobin (Horsesham, Crawley, C): If during the past five years the unemployment rate had not increased, the economy would be in a much better position than it is now.

The answer to unemployment (she said) lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Michael Foot, Leader of the Opposition (Edinburgh, Lab.), asked: "What are the Prime Minister's latest thoughts about the so-called 'openness' in the economy which she sometimes professes?"

How do the appalling unemployment figures published a few days ago, and the figures about continuing falls in production, added with her previous remarks about the upturn going to take place and when are the unemployment figures going to begin to fall?

Mrs Thatcher (Barnet, Finchley, C): Most of the recent forecasts agree with two things. First, that the level of unemployment is likely to fall and, second, that the recession has just about reached bottom. (Labour interruptions.)

How far were forecasts on hand? MPs would have thought that encouraging.

The forecasts do not wholly agree about when the expansion will begin for the simple reason that when it comes depends on how far we take advantage of the opportunities that are available, how far we increase our hands-on management of the economy, and what proportion of orders we get on the home market and the export market.

Mr Foot: Would the Prime Minister be more specific in translating her statement about the turn-around which is about to happen?

When is that going to be translated into some effect on the unemployment figures? (Labour cheers.)

Does she agree with the extraordinary statement made by the Secretary of State for Employment to the People's March for Jobs that he is going to pretend that unemployment was nothing to do with him and his Government?

How does the Prime Minister react to that? In this country there is a high proportion of the population are in jobs, in work, than in any other country.

small number of cases of people born abroad whose births were registered at consulates as a result of their fathers' deaths, and they were not to be taken into account in the calculation of the number of people born in the United Kingdom.

Mr David Price (Barnet, Finchley, C) asked whether the new clause would be taken into account in the calculation of the number of people born in the United Kingdom.

Mr Raison (Aylesbury, C) said the Government believed that the current arrangements for the transmission of citizenship as a result of consular registration were not satisfactory. They operated only if the father was a citizen by descent, and did not extend to cases where only the mother was such a citizen.

A significant extension of the descent arrangements was contained in the proposal that women as well as men should be able to pass on British citizenship to children born to them in the generation overseas. This enormously increased the chances of a child born overseas having a British parent who could derive British citizenship.

The extension of transmission rights to women was not just a technical change, but a marked effect on the extent to which British citizenship could be passed on.

The Bill also proposed a generous system of registration of citizenship for those who had various forms of overseas employment at the time of their birth. This applied to birth in Commonwealth countries as well as in foreign countries.

The Government had taken careful note of the points made to it. This was therefore another area where those who were concerned about the transmission of citizenship might find that they had a right to register their citizenship.

It was said that people sent abroad by their employers for fixed terms would be penalized by the absence of consular registration in the future. This was a serious misunderstanding of the overall effect of the Bill. It would unlikely that in such cases neither parent would be a British citizen born here and so unable to transmit.

The descent arrangements in the Bill were at least as generous as those which applied under the current legislation. They were certainly more generous in their application to the children of Commonwealth citizens who had no access to a form of consular registration.

Mr Michael Mates (Petersfield, C) said there was one group of people who would be unfairly treated if the Bill was not changed. They were the people born overseas of British subjects, citizens of the United Kingdom and colonies with right of abode here, who up until the Bill became law could transmit their citizenship to their children, but would not be able to do so if the Bill was not changed.

He wanted to put right those

small number of cases of people born abroad whose births were registered at consulates as a result of their fathers' deaths, and they were not to be taken into account in the calculation of the number of people born in the United Kingdom.

Mr David Price (Barnet, Finchley, C) asked whether the new clause would be taken into account in the calculation of the number of people born in the United Kingdom.

Mr Raison (Aylesbury, C) said the Government believed that the current arrangements for the transmission of citizenship as a result of consular registration were not satisfactory. They operated only if the father was a citizen by descent, and did not extend to cases where only the mother was such a citizen.

A significant extension of the descent arrangements was contained in the proposal that women as well as men should be able to pass on British citizenship to children born to them in the generation overseas. This enormously increased the chances of a child born overseas having a British parent who could derive British citizenship.

The extension of transmission rights to women was not just a technical change, but a marked effect on the extent to which British citizenship could be passed on.

The Bill also proposed a generous system of registration of citizenship for those who had various forms of overseas employment at the time of their birth. This applied to birth in Commonwealth countries as well as in foreign countries.

which young people are either in full-time education or else in jobs or training.

Mr Peter Temple-Morris (Leamington, C): Much as we all deplore the appalling increase in the rate of unemployment, it is due to self-inflicted wounds. The simple answer is for every working man to make himself more productive and competitive and so help his unemployed colleagues.

Mrs Thatcher: I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

Mr Robert MacLennan (Canterbury, C): I agree. The answer to unemployment lies in people giving good value for their money, and in the services which would buy those products or services in preference to foreign goods.

## Roberts: Use oil funds

and all the misery and hardship associated with such large scale joblessness.

Mr Prior: I think we had better wait for a general election before going further to accept the proposal of Mr. Williams.

Unemployment did not start in 1979. If there had been some simple answer to the problem of unemployment, presumably the Labour Government would have found it. We face problems which the Government cannot solve.

Mr Gordon Ragley (Sunderland, South, Lab.): It is serious when he says that oil does not affect the rest of the world is facing the resources of the Government to ensure that British industry—the foundry glass and many other industries—are not paying for more for their energy than any of their competitors in Europe.

Mr Prior: Under those circumstances they can go to the industrial tribunal to sue the Government. It is possible to sustain the proposition that the outlawing of the closed shop would serve no purpose, while the same feeling that the way in which Labour-controlled local authorities are using tendering as a means of saving money is a disgrace.

Mr John Bruce-Carter (Knuttsford, C): It is possible to sustain the proposition that the outlawing of the closed shop would serve no purpose, while the same feeling that the way in which Labour-controlled local authorities are using tendering as a means of saving money is a disgrace.

Mr Prior: There is considerable abuse. It is something which is covered by the discussions on the Energy Bill. It may also, and I cannot go any further, be that it would be a breach of the Competition Act. But this is a matter that has to be dealt with.

Mr John Stakes (Halesowen and Stourbridge, C): Unemployment is not a problem for the Government. It is a problem for the people. It is a problem for the people. It is a problem for the people.

Mr Prior: I am worried about the failure to take up apprenticeships, probably this September. The Manpower Services Commission has been asked to look at the problem.

Mr Prior: Most MPs would think they stick to their present plans. More than half of all local authorities, responsible for over one third of local authority expenditure, would already be protected by the Government's proposals.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

## Bottomley: Role of pay

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

Mr Prior: Certainly pay has an important part in trying to keep our costs down and our competitive position better. The last Government should have done just as much as this Government.

## Closed shop sackings wrong

## TRADE UNIONS

The sacking of tea and dinner ladies by local authorities because they refused to join a trade union was utterly wrong and should be condemned, Mr James Prior, Secretary of State for Employment, said.

Mr Prior (Lowestoft, C), asked by Mr John Carlisle (Luton, West, Lab.) if he was satisfied that employees dismissed under the closed shop agreements were adequately compensated under the Employment Act, 1980, said: "As yet there have been no reports of industrial tribunal decisions on cases of unfair dismissal arising under the Employment Act's closed shop provisions."

We are keeping the operation of the Act under close review, and we shall not hesitate to make further changes in the law if they are shown to be necessary.

Mr Carlisle: There is strong feeling in the country that simply to increase financial compensation is far from satisfactory, and that the only answer is reinstatement of employment.

Mr Prior: I am fully aware of the strong feelings, particularly in the case of Sandwell and Walsall councils, about the people who have been dismissed under those circumstances.

An industrial tribunal has the right to demand reinstatement, but it has never been part of our tradition and law that employers should be forced to take back people whom they do not wish to employ.

Mr John Evans (Newton, Lab.): Would he comment about the many hundreds of workers every year who lose their jobs because of redundancy? Would he legislate along those lines?

Mr Prior: Under those circumstances they can go to the industrial tribunal to sue the Government. It is possible to sustain the proposition that the outlawing of the closed shop would serve no purpose, while the same feeling that the way in which Labour-controlled local authorities are using tendering as a means of saving money is a disgrace.

Mr John Bruce-Carter (Knuttsford, C): It is possible to sustain the proposition that the outlawing of the closed shop would serve no purpose, while the same feeling that the way in which Labour-controlled local authorities are using tendering as a means of saving money is a disgrace.

Mr Prior: There is considerable abuse. It is something which is covered by the discussions on the Energy Bill. It may also, and I cannot go any further, be that it would be a breach of the Competition Act. But this is a matter that has to be dealt with.

Mr John Stakes (Halesowen and Stourbridge, C): Unemployment is not a problem for the Government. It is a problem for the people. It is a problem for the people.

Mr Prior: I am worried about the failure to take up apprenticeships, probably this September. The Manpower Services Commission has been asked to look at the problem.

Mr Prior: Most MPs would think they stick to their present plans. More than half of all local authorities, responsible for over one third of local authority expenditure, would already be protected by the Government's proposals.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure, but also the extent of the cuts in the way in which local revenue is raised through the rates. The Government therefore intends to issue a consultation document on the raising of local revenue.

Mr Prior: The Government has not only to consider the consequences of excessive expenditure,



A voice cries out:

# What's wrong with Science and Technology?

The No. 1 problem in our sick world is human survival!  
What brought us to this supreme crisis?

**W**e need to WAKE UP! Are we fiddling while the whole world is burning? Ignoring the CAUSES of frightening world troubles will not somehow just cause them to go away!

A madman in some place other than Moscow or Washington could now set off the NUCLEAR explosion that could erase all mankind from the earth! We cannot afford to TRUST - to bet our lives that the humans who *could* do so will be afraid to trigger world cosmocide!

I say, there has to be a CAUSE for every effect. Dealing with effects cannot solve the No. 1 problem of human survival! Until CAUSES are removed, survival of humanity hangs in the balance. What CAUSED the present supreme crisis in this country and the world?

We have covered a quick review of education. Now we focus on modern science and technology - although equally questionable are government, business and industry, organised labour and religion. These are the basic facets of civilisation that have made it what it is. Where have they gone wrong?

Our 20th century world has looked with awe at modern science and technology. They have been viewed as the modern messiah to deliver the world from ignorance, poverty, disease and unhappiness - to solve all world problems.

Teamed with business and industry, science and technology have promised the magic push-button dream world of the three L's - leisure, luxury and licence. Teamed with modern education, science has led us to believe we have matured beyond the need of God - we may now safely throw away the crutch of religion. These modern advances will provide all needs and banish all evils.

## But what is the TRUTH?

Modern science has failed utterly to reveal the purpose of human life or explain its incredible potential! With modern education it remains in ignorance of the TRUE VALUES! It does not know the way to PEACE - whether world peace between nations or peace in the home and family unit. It has failed miserably to deliver the world from illiteracy, poverty, famine, disease, fears and worries, frustrations, unhappiness! It has not cured immorality, broken homes, crime, insanity - rather have these mounted.

A tree is known by its fruits. A realistic look at modern science and technology leads only to disillusionment. Their attention is confined to the realm of the material and the mechanical. But problems and evils are spiritual in nature. Peace, happiness and joy are spiritual values. Yet these basics of human welfare are not their concern. The incredible human potential is outside their field.

Looking further at their fruits, we do find accelerating inventions, intricate mechanical devices, labour-saving mechanisms, spectacular entertainment



HERBERT W. ARMSTRONG  
Founder and editor-in-chief  
of the PLAIN TRUTH magazine.

and amusement productions.

But, then, we observe the failure to teach people to put added hours, days and weeks of leisure to beneficial uses.

Instead human nature has desired increasing idleness, aversion to work, covetousness, desire to "GET" more and more - and dissatisfaction with it if successful in its acquisition.

## Spiritual values overlooked

Again, science and technology have not eradicated the frequently recurring evils of recessions, depressions, unemployment and inflation. Nor have they rescued adolescent frustration, staring a hopeless future in the face, turning to immorality, drugs, violence, and - too often - suicide.

After all, the principal contribution of science and technology to civilisation has been the development of constantly more terrifying weapons of mass destruction! This has brought us to today's No. 1 problem - HUMAN SURVIVAL!

Science and technology are not evil in themselves but an important facet in a good civilisation - if we had one. It is the materialistic CONCEPT - the approach to life and its functions and problems from the materialistic "GET" attitude instead of the spiritual "GIVE" attitude of outflowing "LOVE".

For that reason modern science is a false messiah! It threatens to become the Frankenstein monster to destroy the mankind that produced it!

Before that happens, that great "Unseen hand from some place" will intervene in world affairs and save humanity from itself! World PEACE is closer than you think. But it will have to come as something done TO mankind - not done BY self-seeking humanity! The world will have to be set on GOD'S track - not a maudlin

emotional or superstitious religion - but a TRUTH and way of life that MAKES SENSE and will CAUSE peace, happiness and eternal well being!

*Herbert W. Armstrong*

## The answers revealed

How strange it is that, in the state of the world today, so little time is devoted to the most vital subject of all... our very existence on earth. In this troubled world, what can be more important than the meaning and purpose of life itself?

The PLAIN TRUTH is an international magazine concerned, not with politics or any sectional interest, but with the problems that threaten the very survival of mankind. It analyses cause and effect, offers the positive solutions that can lead to a better life for us all.

As Editor-in-Chief, I invite you to become a regular reader of The PLAIN TRUTH - without any cost or obligation. It will be mailed to you free of charge by courtesy of its public-spirited sponsors whose support enables the magazine to be sent all over the world, to all who request it. There's no follow up and no one will call.

The PLAIN TRUTH is printed in FIVE languages, ten times a year. It has 32 pages, many in full colour. First published in 1934, it is now read by over 6,000,000 people in English, French, German, Dutch or Spanish.

**TO RECEIVE MONTHLY ISSUES FREE FOR ONE YEAR SEND COUPON NOW**



or TELEPHONE Radlett (092 76) 3056 or 3179 (8am-5pm). Nightline 2670. Afterwards by renewing your request, you can receive the magazine for as long as you wish - entirely free and without obligation.

Yes, I would like to receive one year's FREE copies of The PLAIN TRUTH without any obligation.

NAME T25161

ADDRESS (PLEASE PRINT CLEARLY)

POSTCODE

To: The Plain Truth, FREEPOST P.O. Box 111,  
St. Albans, Herts. AL2 3BR.

NO STAMP NEEDED















## JOHN D. WOOD

### HAMPSHIRE—NEAR BISHOP'S WALTHAM

Winchester 11 miles. Southampton 10 miles. Portsmouth 18 miles.  
AN IMPOSING VICTORIAN PROPERTY STANDING IN GROUNDS OF ALMOST THREE ACRES WITH CONSENT FOR SEVERAL CHANGES OF USE.  
Reception hall, 4 reception rooms, cloakroom, kitchen, utility room, conservatory, 2 bedrooms, 2 bathrooms, oil central heating. Raised swimming pool. 2 garages and useful outbuildings. Attractive, mature garden.  
IN ALL ABOUT 2.80 ACRES.  
Freehold for sale.

Joint Sole Agents: Apple & Wynn, The Square, Bishop's Waltham Tel. (0453) 222/275, and John D. Wood, 3 St. George's House, St. George's Street, Winchester (Tel. (01622) 53131). (Ref. MLD.)

### LONDON—RICHMOND PARK

A UNIQUE OPPORTUNITY TO ACQUIRE A LUCRATIVE BUSINESS AND PERIOD HOME.  
LICENSED RIDING SCHOOL AND LIVERY (Approved BHS Riding Establishment) with excellent yard and 30 boxes, plus extensive ancillary buildings. Grounds flat, ideal for conversion.  
FINE PERIOD HOUSE extensively modernised with 2 reception rooms, excellent domestic quarters, 6 bedrooms, 3 bathrooms (2 en suite). Gas central heating. GARDEN WITH ABOUT 1/2 AN ACRE.  
Freehold for sale.

Berkley Square Office. (Ref. DCM.)

### CENTRAL LONDON 13 MILES

ONE OF THE MOST CHARMING AND ARCHITECTURALLY INTERESTING RESIDENCES TO THE NORTH-WEST OF LONDON.  
Reception hall, cloakroom, drawing room, dining room, kitchen, utility room, breakfast room, first-floor sitting room, principal suite of bedroom and bathroom, 5 further bedrooms and 2 bathrooms. Gas central heating. Double garage. Delightful garden.  
IN ALL ABOUT ONE THIRD OF AN ACRE.  
Freehold for sale.

Berkley Square Office. (Ref. DCM.)

23 BERKELEY SQUARE, LONDON W1X 6AL  
01-429 9050 Telex 21242

## Hampton & Sons

NEAR GODALMING, SURREY



A beautifully appointed country house in a superb garden setting with excellent access to London.

Drawing room, dining room, study, playroom/breakfast room, luxury kitchen, 5 bedrooms, 2 bathrooms, second floor suite, garage for 6 cars, sauna and games room. Outbuildings. Hard tennis court. Small golf course. Paddock. Lovely formal gardens. In all about 7 acres. Detached 2 bedroomed staff cottage. Offers are invited for the Freehold.

### ST GEORGE'S HILL, WYBRIDGE

Accessibly just within the Gate.

Well appointed freehold residence—pleasant setting.

Reception hall, 4 reception rooms, open plan kitchen/breakfast room. Cloakroom with shower, flower room, etc. Main bedroom suite of 2 rooms and bathroom, a further 6 bedrooms and 2 bathrooms. Secluded grounds. Heated swimming pool. Sauna. Charming garden house with changing rooms, greenhouses. Ample parking (5/6 cars). 1.24 acres. Price £265,000. Valuable curtains and carpets, etc., included. Other items available.

### KENT/SUSSEX BORDERS

4 miles Wadhurst station and convenient for A21. Handsome Sussex-style house in quiet elevated position with superb views over the Bewl Bridge reservoir.  
3 principal reception rooms, kitchen/breakfast room, 5/6 bedrooms, 2 bathrooms. Double garage. Hard tennis court. Gardens of about 11 acres. £135,000 Freehold. Illustrated details from Mayfield Office. Tel (0435) 872294.

6 ARLINGTON STREET, SW1A 1RB

Tel: 01-493 8222 Telex: 25341

## Lane Fox and Partners

### HAMPSHIRE/BERKSHIRE BORDER

Kingsclere 2 miles. Newbury 8 miles. Basingstoke 9 miles. London 53 miles, M3 and M4 11 miles  
AN IDEAL AND COMPACT FAMILY HOUSE  
In superb decorative order with many notable features, well situated on the edge of a popular village.

Hall, cloakroom, 3 reception rooms, excellent domestic offices, 6 bedrooms, 3 bathrooms. Oil heating. Outbuildings. Garaging. Large playhouse. Delightful garden. 2 paddocks. About 61 ACRES.  
FOR SALE BY PRIVATE TREATY  
Lane Fox & Partners, 36 North Audley Street, London W1Y 2EL. Tel: 01-499 4785.

### GLOUCESTERSHIRE, BERKELEY VALE

Berkley 11 miles, M5 (M4) 7 miles. Bristol 15 miles

A DELIGHTFUL COUNTRY HOUSE  
In a quiet rural position with exceptionally attractive gardens and grounds. Hall, cloakroom, 3 receptions, 5 beds, 2 baths, 3 attic rooms. Domestic offices. Gas fired C.H. Cottage/Barn. Garaging. Outbuildings. Stabling. 2 Paddock areas. Woodland. About 44 acres.  
For Sale by Private Treaty.

Lane Fox & Partners, 36 North Audley Street, London W1Y 2EL. Tel: 0662 30078.

### CORNWALL—NEAR HELFORD RIVER

Helston 8 miles. Falmouth 18 miles. London 260 miles.

Superbly situated coastal property with Panoramic Harbour and Sea Views.  
Reception hall/dining room, 2 further reception rooms, domestic offices, games room, 6 bedrooms, 5 bathrooms. Self-contained flat with sitting room, 2 bedrooms and shower room.  
Oil-fired central heating. Useful outbuildings. Valuable building plot with consent for a bungalow.  
EXTENSIVE GARDENS AND GROUNDS. ABOUT 6 ACRES. S.1021  
Offers over £100,000.

JOINT AGENTS PASS BARTON & CO., 4 Wandsworth Street, Helston. Tel: 02582 4841  
BERNARD THORPE & PARTNERS, Park Street, Stow-on-the-Wold, Glos. Tel: 0451 30731.

### WILTSHIRE

M4 access 3 miles. Malmesbury 4 miles. Chippenham 7 miles.

Compact village house of character occupying a secluded position on the edge of Hurlingham. Hall, drawing/dining room, sun room, cloakroom, kitchen/breakfast room, utility room, two bedrooms (could easily be converted to three), two bathrooms (one en-suite). Oil-fired central heating. Double garage, greenhouses, garden and parking area. Delightful landscaped gardens. S.1049  
ABOUT 1 ACRE.  
Auction 26th June (if not sold). Stow-on-the-Wold Office. Parklands House, Park Street. Tel: 0451 30731.

## Bernard Thorpe

London Office: 1 Buckingham Palace Road, London SW1W 0DD  
Tel: 01-834 8890

MID WALES (1750 Trefaldwyn, Montgomery). Former Georgian Rectory completely redecorated and converted to retain original elegance and distinction. 3 Reception 7 bedrooms, 4 bathrooms, 3 modern kitchens, study, games room, 2 detached houses with open rural outlook. C.H. by Auction daily 10.30-12.30. Tel: 04518/791491.

## Why first-time buyers should join the hunt

Activity in the British property market traditionally reaches its peak for the year this month.

Spring usually brings with it thoughts of a move and families and young couples begin the time-consuming process of house hunting. For the next few weeks we will witness the results of this spring time hunt.

This year there may also be something of a revival of the housing market which over the past 18 months has been somewhat sluggish. House prices as a result have moved little, barely keeping pace with inflation, and in some areas have not even done that.

House agents, building societies and builders believe that during the rest of 1981 prices will match inflation and if you are thinking of buying this may well be the time to do so. For the time being mortgage money from building societies is in reasonable supply but the Building Association's outgoing chairman, Mr Leonard Williams, has warned of a pending shortage.

For young couples and single people this must be the time to seriously consider their first-time purchase. Over the past five years building societies have increasingly shifted their emphasis towards the first-time purchaser and more than half their cash goes to this sector of the market.

Established home owners considering trading up or moving to a new area must consider very carefully the expense of such a decision. Estate agents' fees, valuation and surveying fees, advertising costs, stamp duty and removal expenses have all escalated considerably and it now probably costs in the region of £3,000 to move up-market or to a different area.

And that of course excludes the wear and tear on you. When you are moving into your second, third or even fourth home, you become part of the house buying chain where every link can be extremely tenuous. Until fairly recently it has been a house buyers' market and vendors should be extremely cautious about taking their home off the market.

Someone in this office discovered they were simply being used as a second string to a prospective purchaser's bow and when it came to exchange of contract, before which they had unwisely taken their house off the market, the purchaser stalled for time until he had

## Residential Property by Baron Phillips



This historic early English Manor house, which has been continuously occupied since 1075, set in 46 acres in Branscombe, South Devon, is being offered for sale by Jackson & Jackson. The house has been carefully restored and modernized during the past decade and the agents are expecting offers in the region of £170,000 to £175,000.

exchanged on the house of his first choice.

But more and more agents are reporting a great deal more inquiries from purchasers and clearly the situation is easing for the vendors. If, however, you are considering buying a brand new home then builders are offering various gimmicks to tempt you, most of which will ease the cost of the move.

One of the most startling is that offered by Barratt Homes, which undertakes to buy your old home and sell it for you if you purchase one of their houses. This scheme even applies to the company's top-of-the-market developments like Papillons in Blackheath, SE London, where prices for four bedroom houses are around £100,000 to £110,000.

Another interesting development in the past two years has been the increasing activity of banks in the house funding arena. All the major clearing banks will offer mortgage advances and one of the smaller banks is offering 95 per cent mortgages on their valuation of the property. Interest rates are usually higher, in this case 13.5 per cent, but after tax relief the increase is fairly marginal on advances under £25,000. Banks also have no generally imposed upper limits and their minimum advance has reduced dramatically to around £5,000.

These developments may be of particular interest to first-time purchasers who find themselves in the position to

support a mortgage but may not have accumulated sufficient reserves to provide a full 10 per cent deposit.

Flats and houses for first-time purchasers abound these days and are only around the country's major conurbations.

An excellent example of some of the new homes in country and provincial settings coming on to the market is the new Ravenscourt Park, an attractive village style scheme on the outskirts of Lymington.

The development is being undertaken by Glentworth Limited and is being handled by Jackson & Jackson's Lymington office.

Located about one mile from the town's high street the development consists of 39 three-bedroom detached, semi-detached and linked houses. Unlike many schemes, that are priced sensibly between £28,950 to £32,500, great attention has been paid to landscaping and the creation of a "village" type atmosphere.

Work on the site has been completed now and the houses are ready for immediate occupation. The agents tell me 12 have already been sold and keen interest is being shown in the development. Mr David Coates of Jackson & Jackson, says that a whole cross-section of the market is showing interest in Ravenscourt Park which he hopes will take the "village community" of the development even farther.

Around the country Barratt's have gone out of their way to

provide a selection of homes that can be afforded by the first-time buyer. And on a number of the sites single bedroom units are available for under £15,000 which, together with various incentive schemes the company operate, makes these homes ideal purchases for the young first-time buyer.

In stark contrast to homes at the economy end of the market come a selection of country estates which in their own way also offer tremendous value for the purchaser. Ogs castle is one such estate set in the uplands of Lancashire covering more than 100 acres.

The centrepiece of the estate is a fine example of a Scottish Georgian villa which has been built on the site of a seventeenth-century castle. The present day house was built in 1817 by Mr Michael Linning, sponsor of the ill-fated and unfinished Scottish National Monument on Calton Hill in Edinburgh.

Accommodation consists of four reception rooms, five bedrooms and a self-contained flat. In the grounds there is a stable block which is thought to pre-date the house, and contains a mews dwelling. In addition the lodge is offered with vacant possession. Agents Knight Frank and Rutley are seeking offers of £160,000 for the whole but say they are prepared to sell the property in three lots.

Through the same agents a 4,500 acre sporting and agricultural estate in Perthshire, Kinnell Estate, is also being offered for sale at an asking price of more than £750,000. The farming element of the estate extends to about 1,550 acres covering some useful arable and grazing land.

Kinnell House dates back to the end of the sixteenth century and was the ancestral seat of the Chiefs of Clan Macnab. Over the years the house has been modernized and now has three reception rooms up to seven bedrooms and four bathrooms.

But it is probably the sporting element of the estate which will really attract a purchaser. The grouse moor extends to more than 4,000 acres and also provides some good stalking. In addition the estate owns salmon fishing rights in Loch Tay, together with trout fishing on the river Dochart and several hill lochs.

The sale is being conducted by KFR in conjunction with Renton Finlayson of Aberfeldy.

## Humberts

### Lancashire 20 Acres

Morcambe 2 miles. Lancaster 5 miles. M5 8 miles.

A major Leisure Park in an established holiday location adjoining sandy beaches.  
A self-contained villa and flats, bars, restaurant, indoor events hall, administrative block, swimming pool, gardens, International Go-Kart Circuit (let).  
In all about 20 acres. For sale by Tender—41 year leasehold at £1 p.a.

Details: Humberts Landplan, Leisure Management Division, London Office. Tel. 01-242 3121. (01/3690/RAHS)

### Hertfordshire 7 1/2 Acres

Watton at Stone.

A very attractive period country house enjoying complete seclusion and exceptional views.  
Entrance hall, reception hall, 4 reception rooms, cloakroom, kitchen, utility room, 7 principal bedrooms, 2 staff bedrooms, 3 bathrooms, garaging, loose boxes, outbuildings, formal gardens, orchard grounds and paddock.  
In all about 7 1/2 acres.

£170,000 Freehold (offers considered for the property with lesser area of land).  
Details: 4 Romeland Hill, St. Albans. Tel. (0727) 51739. (05/2885/SFVH)

### By Order of the Goodwood Estate Company

### West Sussex, Nr. Chichester

London 65 miles.

4 attractive cottages in the heart of the Goodwood Estate each with 2 reception rooms, 3/4 bedrooms, kitchen and bathroom.

Freehold for Sale by Private Treaty.

Details: Goodwood House, Chichester Tel. (0243) 527107, and Humberts, London Office Tel. 01-242 3121. (01/9723/JCFM)

### Leicestershire 2 1/2 Acres

Knoslington.

A superb modern house in a sought after village.  
4 reception rooms, 7 bedrooms, 2 bathroom, cloakroom, oil central heating, kitchen/breakfast room, garaging for 2 cars, outbuildings, garden and grounds, paddock.

Offers invited in the region of £100,000 Freehold with about 2 1/2 acres.

Details: 5 Maiden Lane, Stamford. Tel. (0780) 52788. (19/1116/JSGP)

### Hertfordshire 7 Acres

Woolmer Green, Nr. Knebworth.

An extremely attractive period country house.

Entrance hall, 4 reception rooms, 6 bedrooms, 2 bathrooms, cloakroom, central heating, kitchen, utility room, box room, garaging, stabling, greenhouses, excellent formal gardens and Paddock.  
Offers invited in the region of £168,000 with about 7 acres.

Details: 4 Romeland Hill, St. Albans. Tel. (0727) 51739. (05/2882/SFVH)

### Wiltshire

Devizes 8 miles.

On high ground in a quiet rural position with magnificent views is this chalet bungalow with a large garden and heated swimming pool.

2 reception rooms, large kitchen with Aga, utility room, cloakroom, 5 bedrooms, bathroom. Central heating. Double garage.  
£55,000.

Details: 10 Nary Street, Chippenham. Tel. (0249) 55661. (10/DMLE)

### Somerset/Dorset border

Sherborne 8 miles. Yeovil 9 miles. Shepton Mallet 10 miles.

A former barn converted to provide a charming and interesting House situated in a most attractive and secluded setting facing due south with open views to village church and manor house.

Entrance patio/porch, hall, sitting room, dining room, kitchen, 3/4 bedrooms, bathroom, shower room, possibility of separate annex, garden.  
£85,000 Freehold.  
Details: Cheap Street, Sherborne. Tel. (093581) 2323. (07/6336/RLV)

### Somerset/Dorset border

Cucklington

Wincanton 25 miles. Shaftesbury 8 miles.

An impressive listed Grade II mainly Queen Anne House on the edge of a small village with south-facing rooms and fine views over the Blackmore Vale.  
3 reception rooms, 6 bedrooms, 2 bathrooms, 1 cloakroom, oil central heating, kitchen/breakfast room, garden and paddock. Garaging for 2 cars.  
Price £92,500 Freehold with about 1 acre.

Details: 34 High Street, Shaftesbury. Tel. (0747) 3482. (11/5108/SJV)

### Wimbledon

Trautman 3 miles. Bath 14 miles.

In a superb quiet position enjoying beautiful extensive views over the Wimbledon Park Lake and golf course. Exceptional transport facilities to the City and West End, excellent family house. Hall, 3/4 reception rooms, breakfast room, 7/8 bedrooms, 2 bathrooms, adequate offices. All main services, central heating. Garage for 2, delightful gardens with many fruit trees. Freehold for sale.

Sole Agents: Humberts London Office. Tel. 01-242 3121. (01/2782/RWP)

### Somerset

Taunton 3 miles. Wootton Bassett 2 miles. M4 4 miles.

A Georgian country house standing in well-established gardens with further land available if required.

3 reception rooms, 5 bedrooms, 1 bathroom, 1 cloakroom, oil central heating, kitchen/breakfast room, staff accommodation, garaging for 3 cars, stabling, outbuildings, garden, grounds, woodland. Paddocks available if required. Cottage with 2 bedrooms, 2 reception rooms, kitchen and bathroom.  
Price £120,000 with cottage and garden. Freehold (with about 15 acres available additionally).

Details: Joint Agents, Stags, Sussex House, Wellington, Somerset. Tel. (382347) 2822, and Humberts, 17 Hammer Street, Taunton. Tel. (0823) 88484. (17/23990/SAH)

### Wiltshire

North Bradley

Westbury 3 miles. Bath 14 miles.

A substantial and spacious family House with 17th century origins with 19th century coach house addition on the edge of a quiet village.

4 reception rooms, 6 bedrooms, 2 bathrooms, cloakroom, oil-fired central heating, kitchen/breakfast room, staff accommodation, garaging for 2 cars, stabling. Coach house with planning permission for conversion. Gardens and grounds of about 2.5 acres. £98,000 Freehold with about 2.5 acres.

Joint Agents: Pearsons, Trowbridge. Tel. (02214) 4391, and Humberts, 10 St. Mary Street, Chippenham. Tel. (0249) 55661. (10/62160/DMLE)

### Wiltshire

Chippenham 1 mile. M4 4 miles (Paddington 1 hour).

In the quiet and pleasant village of Langley Burrell, a delightful Chalet Bungalow with option to buy adjoining paddock.

3 reception rooms, 4 bedrooms, bathroom, cloakroom, oil central heating, kitchen/breakfast room, studio, conservatory, double garage, paddock available if required.  
£97,500 Freehold.

Details: 10 St. Mary Street, Chippenham. Tel. (0249) 55661. (10/62160/DMLE)

### 6 Lincoln's Inn Fields

London WC2A 3DB 01-242 3121

## SAVILLS

### WILTSHIRE—GLOUCESTERSHIRE 241 Acres

Malmesbury 4 miles. Swindon 19 miles. M4 9 miles. London 101 miles.  
Attractive mixed farm with a good Cotswold stone farmhouse and unspoilt southern views.  
3 reception rooms, 5/6 bedrooms, 3 bathrooms. Oil-fired central heating.  
2 Bungalows. Fine pair of cottages requiring modernisation. Stabling. Modern and traditional buildings.

Auction 17th June as a whole or in 2 lots (unless previously sold).  
FIELDER & JONES, 10 Oxford Street, Malmesbury, Wiltshire. Tel: (0662) 2601.  
SAVILLS, Country Residential Department, 5 Mount Street, Berkeley Square, London, W.1. Tel: 01-499 8644.

### BUCKINGHAMSHIRE About 38 acres

Blotley 3 miles. (Euston 45 minutes). Leighton Buzzard 4 miles. M1 8 miles.  
Beautifully renovated period house dating from the 16th Century together with a successful stud and equestrian establishment, renowned for the production of international top class show hunters.

Drawing room, sitting room, dining room, 4 bedrooms, 2 bathrooms, self-contained annex with sitting room, bedroom and bathroom. Oil-fired central heating. First-class range of farm buildings including garaging. Stabling. Covered yard. Indoor school (90' x 60'). Outside Dormit arena. Attractive garden, 9 post and rail paddocks and nursery paddock.  
SAVILLS, Country Residential Department, 5 Mount Street, Berkeley Square, London, W.1. Tel: 01-499 8644.

### OXFORDSHIRE—The Chilterns About 45 acres

Reading 8 miles. Paddington 38 minutes. Henley-on-Thames 9 miles.

Quite superb small country estate with Period House of 16th/17th Century origin totally secluded and protected by beautiful gardens and grounds in a parkland setting with fine woodland.

4 reception rooms, 9 bedrooms, 5 bathrooms. Cottage annex, 4 excellent cottages. Beautiful garden with hard tennis court and heated swimming pool. Valuable woodland and 20 acres of pasture.

45 Acres.  
SAVILLS, Country Residential Department, 5 Mount Street, Berkeley Square, London, W.1. Tel: 01-499 8644.

### BUCKINGHAMSHIRE—LITTLE HORWOOD

Blotley 4 miles. Buckingham 7 miles. London 82 miles.

Charming compact house renowned for its enchanting garden in superb open countryside.  
Sitting room, drawing room, dining room, kitchen, pantry, 4 bedrooms, 3 dressing rooms, 4 bathrooms, part oil-fired central heating. 2 attached bungalows. Garaging. Stabling. Indoor and outdoor swimming pools. Delightful gardens, paddock and lake.

About 7 Acres.  
EYES, 8/12 Bromham Road, Bedford. Tel: (0234) 41311.

SAVILLS, Country Residential Department, 5 Mount Street, Berkeley Square, London, W.1. Tel: 01-499 8644.

### SCOTLAND—BANFFSHIRE 28,200 Acres

Aberdeen Airport 1 hour.

### GLENFIDDICH ESTATE

The legendary Sporting Estate incorporating the famous grouse moors and deer forests of Glenfiddich and Blackwater, all within an hour's drive of Aberdeen Airport.

A recognised Deer Farm producing an average of 71 stags. 10 separate days of driven grouse shooting averaging 1,224 brace. Salmon and trout fishing on the Fiddich, Blackwater and Alt Deveron. Glenfiddich and Blackwater shooting lodges. 18 vacant Houses and Cottages. 12 let Farms.  
24,700 acres with Vacant Possession.

G. A. TRIGGS & CO., 29 Milton Road, Swindon, Wiltshire.

Tel: (0793) 37777.

### BERKSHIRE

Ascot 3 miles. Heathrow 11 miles. M4 11 miles. Central London 29 miles.

Superbly equipped and maintained stock farm within easy reach of Central London.

Moss End Farmhouse, dating from early 18th Century. 27ft drawing room panelled study, dining room, 4/5 bedrooms, dressing rooms, 3 bathrooms. Stabling and garaging. Farm manager's house, 7 detached houses. Outstanding buildings. Railed and watered paddocks with excellent public and private access.



# La crème de la crème

## PERSONAL

### ASSISTANT/SECRETARY

An established international company dealing in financial data retrieval and economic news requires a Personal Assistant/Secretary to the Marketing Director based in the City. The job needs initiative, a rigorous mind, a good head for figures, administrative skills, and the ability to deal with people and with stand pressure. Minimum five years experience, aged 28-45, fast typing. Shorthand not necessary. Languages, a background in the financial field and knowledge of word processors a plus.

The salary is high and commensurate with this demanding but challenging post. Pension scheme, five weeks vacation.

Please ring 353 7977

### Top Secretarial Skills take you further

**SALARY £6,880 PER ANNUM (Review July)**

You may have found that your skills have continued to develop, while your career has not. If you are ready to make a major move in your career, then we have the opportunity for you.

Working for a partner who requires good shorthand/audio skills you will not only be performing the full range of secretarial duties but you will also be responsible for co-ordinating the work of six mature secretaries. Equally important, the building of a happy working relationship within your team, involving all members in a variety of tasks, ensuring that the secretarial support offered is in keeping with the standards of a professional organisation.

Ideally, you should be aged between 25 and 35 with several years commercial experience at senior secretarial level. We are situated close to the Strand area and can offer luxurious working conditions together with two salary reviews a year, service benefits, restaurant facilities, LV's and other benefits. For further details please telephone Ann Grover in the Personnel department on 01-536 1200.

### IMPERIAL WAR MUSEUM

Lambeth Road, London SE1 6HZ

#### PA to the ASSISTANT DIRECTOR and PA to the SECRETARY OF THE MUSEUM

The Imperial War Museum comprises the London Headquarters in Southwark, the cruiser HMS Belfast moored opposite the Tower in London, and the former RAF Station at Duxford near Cambridge.

The Assistant Director and Secretary of the Museum seek two intelligent, efficient and adaptable P.A.s with a sense of humour and good technical skills who would like to become involved in the varied and interesting work of this national museum.

For further details, please ring: **FENNY RITCHIE GOLDER** on 01-735 8322

Closing date for applications: Thursday, 18 June, 1981

### SECRETARY

**Age 23-30**

Large International Firm situated near London Bridge has an immediate vacancy for an experienced secretary who can speak French and has fast accurate shorthand typing.

The successful applicant must have a good educational background and smart appearance. In return we offer a good salary and excellent company benefits. For further details please call Mrs Irene Bryant.

407 8989 Ext. 3294

### INTERNATIONAL INSTITUTE OF COMMUNICATIONS

SECRETARY TO EXECUTIVE DIRECTOR

**£5,750 neg.**

To work in small friendly office as part of team. Must have minimum 5 years experience at senior level, organisational ability, fast typing and a flexible approach to work. Languages an advantage.

Reply in writing with c.v. to:

**L.L.C. Tavistock House East, Tavistock Square, London WC1H 9SL**

### A GREAT RECEPTION AND £5,500+

The recipient is a very important person at this office. At the centre of activity meeting all visitors and being responsible for some administrative duties as well as a beautiful reception area. This is an exceptionally rewarding job for a person who is a team player and who is able to handle a large volume of work. The successful candidate will be a fast typist and will be able to handle a large volume of work. The successful candidate will be a fast typist and will be able to handle a large volume of work.

**Bernadette of Bond St.**

Recruitment Consultants

01-623 1204

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

Call Valerie Whitson

486 7921

203 3174 (evenings)

### BLOHM & VOSS AG

(WEST GERMAN SHIPBUILDERS)

#### Senior Personal Secretary to the U.K. Manager

**£6,250-£6,600**

This interesting position calls for a person who can undertake the full range of secretarial duties on work which involves dealing with ship owners, covering new buildings, ship repairs and the offshore industry. An educational background to C.E.O. level and good secretarial skills, 100/60 w.p.m. shorthand/typing, are required and tele. ability. A knowledge of German would be an advantage.

The post is based at the U.K. Liaison Office at Ilex House, 42/47 Minories, London EC3N 1NP, immediately adjacent to Fenchurch Street Station and Tower Hill. Hours 9.00 a.m.-5.00 p.m. 5 day week with four weeks annual leave, plus public holidays.

Apply in writing to: Don Willis, U.K. Manager, Blohm & Voss AG, U.K. Liaison Office.

### Simpson (Piccadilly) Ltd.

#### Buyer for fashion accessories gifts/cosmetics

The above position is to be created within our merchandise team.

The successful applicant should have relevant experience in retail buying and will have an in depth knowledge of quality merchandise in the areas concerned.

Letter of application with details of education and experience should be sent to:

The Personnel Executive, Simpson (Piccadilly) Ltd, 205 Piccadilly, London W1.

All applications will be treated in the strictest confidence.

### P.A. FOR T.V. TEAM

Young P.A. go ahead creative agency. Must enjoy pressure, getting involved and using organising ability. 5'10".

**P.A. SEC. £25,250**

Working for Young Director of top agency. Good presentation and speed.

**FILM UNIT P.A.**

Assisting demanding Manager with a flair to delegate. Good secretarial skills, able to use own initiative. £5,500.

**RECEPTIONIST**

to a top London Agency £5,500. Ideal for well educated presentable person. Receiving clients organising theatre tickets etc. etc. Please call Katy Lawrence or Caroline Price on:

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

8 Blenheim Street London W1

**adpower communications**

01-493 6456 or 01-429 1858

### BOOSEY & HAWKES

**SEEK**

#### TOP SECRETARY

Managing Director of this major international group publishing serious music and manufacturing high class brass and woodwind musical instruments seeks secretary/assistant.

As well as first class shorthand and typing, candidates must demonstrate considerable literary ability, initiative and a cool head in emergencies, an ability to communicate and a sense of humour. Knowledge of French and/or German would be an advantage.

Offices are in W.1. Hours are 9 to 5 Monday to Friday. Salary by negotiation.

Apply with brief details to: Ms R. Sharp, Boosey & Hawkes Ltd, 295 Regent Street, London W1R 3JH.

### SECRETARY/PA

**W.C.1 £6,800**

If you are looking for a challenging new appointment with plenty of scope for development, then you may be the person our client is seeking.

Probably 30+, you will have had several years' experience at senior level, preferably in sales orientated organisations, and be used to working for your own initiative, dealing with customers of all levels and organising meetings and functions.

In return a unique employment package is offered, including LV's and other benefits, a salary with a progressive, modern minded company. Please write, enclosing a brief c.v. to:

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

### TWO SECRETARIES

**FOR AMERICAN COMPANY**

**(IN W.1.)**

Two secretaries required for Mayfair Headquarters of American international company in the Treasury field and insurance. Salaries to £6,000 PA plus excellent benefits. Please write for application form to Box 0040 G, The Times.

Applicants should have had at least two years experience working at Senior executive level and be prepared to work for two executives.

Apply with brief details to: Ms R. Sharp, Boosey & Hawkes Ltd, 295 Regent Street, London W1R 3JH.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.

Ben Greenfield, 45A Park Lane, London W1, W1P 6AA.

Office House, 371 Kings Road, London, SW10 0LL.

Replies will be forwarded direct to our client unless specifically requested otherwise.



THE ARTS

# Canada's passing show reflected with wit and charm

Toronto is now the third busiest city in the English-speaking theatrical world. Even the Trudeaus graced its first International Theatre Festival. Or did they? Ned Chaillet explains.

Everything about the effusive introduction rang true. A surprise appearance by the Canadian Prime Minister, Pierre Trudeau, seemed perfectly in order at Toronto's first International Theatre Festival, the largest such event in North America. The head table, crowded with such figures as the premier of Ontario and international theatre people, including the British impresario Ian Albert and New York's Joseph Papp, took it at face value and rose to applaud his entrance. But they were faced with an impostor.

Beyond a doubt, the sensation of the festival was a woman named Linda Griffiths, pulling back her long hair and donning a suit and slight French accent to become Pierre Trudeau. Her performance in the play she had written with Paul Thompson, *Maggie and Pierre*, had just enough of scandal about it to throw a trace of alarm into the reception she was given at the luncheon for distinguished guests. In the play, she had portrayed not only Mr Trudeau but also his estranged wife Margaret and a reporter investigating their courtship, marriage and marital collapse, making most of her quick changes to music by the Rolling Stones.

She confined herself to gentle and informed satire at the luncheon, but the success of her impersonations at the Theatre Passe Muraille was partly beyond the personalities she enacted. Her commentary on the Trudeaus reflected many of the changes in Canada during the Prime Minister's rise, fall and rise again, and best of all, it reflected these changes with wit and high measure of personal charm, although a more decisive vocal separation between characters would improve it.

*Maggie and Pierre* was the

first of the festival's shows to receive offers from abroad, including one from Edinburgh, but it was far from the last. Despite the high-powered presence of foreign companies, the festival became a very convincing display of the vitality of Canadian theatre.

The United States sent the Actors Theatre of Louisville and New York's Mabou Mines north of the border in partial recognition that Toronto is now the third most theatrically active city in the English-speaking world, led only by London and New York. Israel provided the Habimah National Theatre and Etkindard Schall appeared for East Berlin's Berliner Ensemble, but the most exciting visitors, appearing directly to Toronto's large Italian population, were the Teatro Stabile of Aquila. They offered a modern, fast and emotionally violent staging of a medieval miracle play, *Rappresentazione della Passione*, which they made as contemporary as a hijacking.

Italy was also the source for the most imaginative and seductive native offering. A very young company called *Necessary Angel* transformed an entire house into the mansion of Mussolini's same poet, Gabriele d'Annunzio. The playwright, John Krizanc, working with ten main characters and multiple political and sexual plotlines, provided a play for each of his characters which spectators could pick up and exchange for different plays by following different people into different rooms.

Some of the characters varied significantly in interest, but when the entire audience of 50 gathered in the mansion's kitchen for coffee at the interval, many intriguing nuggets of information were exchanged. Gabriele was primarily interested in seducing the



Linda Griffiths as Pierre Trudeau in *Maggie and Pierre*

painter, Tamara de Lempicka, while his head housekeeper was trying to seduce Mussolini's daughter, but around their private concerns were socialist, communist and fascist plots

which gradually led to guanois and violent death.

Richard Rose orchestrated the various events with great precision, so that tensions

peaked simultaneously whether spectators were closeted with Gabriele or in the hallway with gunplay or in the music room.

That production, called *Tamara*,

# Stuttgart's dancers at their emotional best

Lady of the Camellias  
Coliseum

The Stuttgart Ballet, one of London's favourite companies ever since they first came here, returned to the Coliseum on Monday for a fortnight's season with four programmes of works, all but one of which are new to this country. John Neumeier's *Lady of the Camellias*, created soon after their last visit, was the opening choice and had a tumultuous reception as you would expect for a big romantic dance-drama with Marcia Haydee and Egon Madsen in the leads.

I reported on the ballet from Stuttgart not long after its premiere in 1978, but, as that is quite a while ago, let me remind you that the music is by Chopin (a contemporary of Dumas), entirely piano solos in the middle act, mostly piano and orchestra in the first and third acts. It proves a good choice, and sounds well at the Coliseum, with the company's three regular pianists carrying the brunt of the musical interest. Glenn Prince taking part in the stage action, Michiko Ohno and Günther Schmidt remaining in the pit.

Neumeier's adaptation stays much closer to the original novel than any other spoken, sung or danced version I know. That is both its strength and its weakness. The disadvantage is that it has led him to a structure that puts the emphasis more on narration than on choreographic development. He has also included episodes about Manon Lescaut (seen as a parallel to Marguerite Gautier) which are intellectually justified but dramatically distracting.

The advantage of fidelity to Dumas, however, is that the hero and heroine both have big roles full of strong emotion, which the Stuttgart dancers know how to make the most of. There are two other Marguerites to follow, at successive performances: Birgit Keil, whom I already know to have found her own gracefully individual reading of the part, and Lucia Lsenring, whose

performance I look forward to seeing. But the role was made for Haydee and she gives a tremendous performance in it, although one that is matched by Madsen's Armand. For the past two decades, ever since John Cranko began to shape her career, Marcia Haydee has been the best dramatic ballerina in Europe, perhaps anywhere, and the passion she puts into this ballet, the eagerness and shame and devotion, is the match of her other famous characters, in both intensity and subtlety.

Madsen, too, is one of the great dancers of our time. Like Haydee, he has reached the age in his career where virtuosity no longer comes so smoothly as once it did, but his dancing is always exceptional in its expressiveness as well as its elegance.

The ballet is built largely on duets; there are times when one might welcome more solos, but Neumeier never forgets that he has a story to tell, and the duets always let you know what the characters would be saying to each other if they were talking.

That is true of the lesser roles too. Manon and Des Grieux have the smiling, apologetic, since they are supposed to be figures from a book, but Susanne Hanke and Christopher Boatwright let a serious predicament become visible through their stilled attitudes.

Reid Anderson brings a warm dignity to Duval pere and Marcia Lesins makes the Duke a commanding figure. Notable, which Nora Kimball plays Marguerite's rival, Olympia. However, the ensemble playing has long been one of the Stuttgart Ballet's special strengths, and it is the collective result that you notice more than strong individual performances in the supporting cast.

The designs, by Jürgen Kose, have the same style we expect of his work. Seizing the auction of Marguerite's goods as the natural starting-point, Neumeier and he have opted for a few properties in a sparse setting, with Marguerite and her assistants changing the scenes: relying for richness and colour on the costumes. It is a device that works handsomely and well.

John Percival

# Rutger Hauer: from Holland to Hollywood

While America produces actors who are instinctive and ambitious, and England ones who are well trained and doggedly professional, Europe seems to throw up actors who are both highly talented and determinedly eccentric. Such is Rutger Hauer, a Dutch actor (the Dutch actor) who is making the rare transition from being a film star in his own country to becoming a Hollywood leading man.

Of course, it helps that he speaks fluent English and has a handsome profile. But his real break came with his performance in the Dutch film *Soldier of Orange*, about a Resistance hero in German-occupied Holland. The film reached the Seattle Film Festival, then filtered down to Los Angeles, where Hauer struck a chord among Hollywood producers, always eager for anyone who can look and act in the heroic mould. Hauer has completed his first American film, *Nighthawks*, which opens in London this week, and is in the middle of his second, *Blade Runner*, for the British director Ridley Scott (who made *Alien*).

"The strange thing was that I thought for a long time before I accepted to do *Soldier of Orange*", Hauer recalls. "I'd been out of work one year at the time so I shouldn't have hesitated. But I'd been in the army myself and hated it. And the character, although based on a real person, was sort of a boy scout character. You never test a big fight over that. I wanted the film to be more authentic than it was."

"When you think about it, acting is a ridiculous profession. Most of the time, most films and television shows are thrillers. But I don't believe people imitate what they see on the screen. There are a lot of sick people out there, and maybe we're sick too because we show them sick films. But it's individuals who turn into characters or assassinate public figures. That whole business doesn't ring true to me. I think the relationship between films and real life is generally the other way around. I remember when I was making *Nighthawks* I had one sleepless night when I thought: What if Carlos objects to the film? What if he turns up on my doorstep? What would I do? In the end, I told myself, well, I don't know what I'd do, and I forgot about it."

Hauer, 37, comes from a family of actors, but it took him a long time to follow in their footsteps. He ran away to sea when he was 16, lasted a year and gave it up because "Every-



one was stupid and I didn't trust anyone. One of the things the police I spoke to told me was, if you are a terrorist, you never throw a gun away. Well, I throw away a gun in the film. I lost a big fight over that. I wanted the film to be more authentic than it was."

Hauer, 37, comes from a family of actors, but it took him a long time to follow in their footsteps. He ran away to sea when he was 16, lasted a year and gave it up because "Every-



one was stupid and I didn't trust anyone. One of the things the police I spoke to told me was, if you are a terrorist, you never throw a gun away. Well, I throw away a gun in the film. I lost a big fight over that. I wanted the film to be more authentic than it was."

Hauer, 37, comes from a family of actors, but it took him a long time to follow in their footsteps. He ran away to sea when he was 16, lasted a year and gave it up because "Every-

using the Roosevelt Island tramway, a public cable-car service between Manhattan and Roosevelt Islands. And Hauer's new film, *Blade Runner*, has just been hit with a massive lawsuit from Coco Chanel's estate (the film is based on her life). Is *Blade Runner* similarly controversial?

"In a different way, perhaps. It's a thriller set 50 years in the future. Ridley's [Scott] idea of the future is to 'imagine' it. Usually you get gleaming cities and technological marvels, but the future in *Blade Runner* is littered with debris, on the verge of breakdown, like the present only magnified. I play a robot warrior. There are five of us and we are indistinguishable from human beings. I like it because the story plays with the tension between what is real and what isn't. As an actor, I always try to find the reality in a part and then go a little beyond it — I like to cheat a little. Films aren't real, but the film pretends they're artificial. It's the perfect metaphor for what an actor does."

Hauer grins delightedly. He is known for the humour he brings to his roles. *Nighthawks* is the very prototype of the villain who smiles and murders while he smiles. "I read somewhere a terrorist saying, 'I want you to learn to pull a switch in your head, it's easy to kill people.' That's exactly how I played Wulfgar, a man who could be perfectly charming one minute and shoot you the next."



While he is filming *Blade Runner*, Hauer is living in a rented house high above Los Angeles. His hair is cut in a punk style and he has a brilliant white and he says he misses his painter-girlfriend. The couple have been together 11 years and live in a small country house in Holland ("a Dutch film star, you don't make too much money", Hauer says he is "on a springboard at the moment. I don't know whether I'll have to move to America or not. Ideally, I'd like to move between the two countries. That is, if they'll let me back into the States..."). When *Nighthawks* got to New York airport with a one-way ticket and 10 cents in his pocket. The immigration people held me and the producer had to come and bail me out." He sighs. "I have a lot of trouble with the authorities and with cars."

Joan Goodman



Hauer grins delightedly. He is known for the humour he brings to his roles. *Nighthawks* is the very prototype of the villain who smiles and murders while he smiles. "I read somewhere a terrorist saying, 'I want you to learn to pull a switch in your head, it's easy to kill people.' That's exactly how I played Wulfgar, a man who could be perfectly charming one minute and shoot you the next."

Joan Goodman

# A group of young virtuosi

Endymion Ensemble  
Christ Church, Spitalfields

The Spitalfields Festival, now in its fifth year, devotes much of its syllabus to music roughly contemporary with Hawkins' superb and spacious Christ Church (1712-29), which festival events take place all the better that the festival retains a strong interest in music of this century.

For Monday night's concert by the Endymion Ensemble, a group who look like starfishers and play like seasoned virtuosi (those who have not won the Shell-LSO award have served apprenticeship with the National Youth Orchestra or other comparable enterprises), a new work had been commissioned from David Bedford, a Symphony for 12 Musicians which was given its first performance.

They matched it with three other twentieth-century works, at least as hard to play stylishly, did not say for Messiaen's *Quatuor pour le fin de temps*, because I cannot abide its smug sanctimoniousness.

Stavinsky's three pieces for unaccompanied clarinet were described to me the other day as one person trying to play *The Rite of Spring* on a melody instrument; that may not seem an impossible task, indeed it is more feasible in terms of Gaelic mouth-music than that are the clarinet pieces to play satisfactorily. Mark van de Wiel played them with truly Ritual attack, and fervour for every phrase and nuance also with implications of later Stravinsky in Paris and America, so that the music brought *The Rite* and *Ragtime* forward, as it were, into our own century, where, I am sure, they still belong.

The Chamber Concerto belongs to Ligeti's bridge-period from smudged-impressionism (a quite legitimate style with which he composed numerous works of abiding eloquence and durability) to expressive linear music. This performance, scrupulously prepared and played with an elegance that spoke of devotion, brought out the animation of the first movement, the lyricism of the second (a magical horn solo), the dapper wit of the fourth.

Bedford, as gifted as any British composer of his generation (born 1917), began brilliantly, then fell into musical stagnation, with minimal invention extended maximally into something like neo-classical Muzak. Later he seemed to be recovering. His Symphony does involve repetition, and harmonically he still favours a degree of stagnation.

But the six movements not only cohere; they audibly develop from a coolly engaging English folk-dance, gradually built up, to a finely controlled frenetic coda. I prefer more argumentative music, but will own that Bedford's Symphony makes pleasant, even unpredictable musical wallpaper.

William Mann

Maxim Shostakovich, who defected to the West while touring Germany last month, will visit Britain in October to conduct a seventy-fifth anniversary concert for his late father, Dmitri Shostakovich. At the Festival Hall on October 21, he will conduct the London Philharmonic in a programme of his father's music, including the first ever concert, with Maxim Shostakovich at the piano, and the second piano concerto, with his son, Dmitri, who defected at the same time. Both father and son are now living in the United States.

**FAST PERFS**

Tonight, tomorrow, & Fri at 7.45  
Sat at 3.00 & 7.45  
- in the Lyttelton

Bernard Pomerance's acclaimed **THE ELEPHANT MAN**

"An enthralling evening... no one should miss this production!"  
(Peter Jenkins, Spectator)

STANDBY: any unsold seats £3.50 in 45 mins before start

**NATIONAL THEATRE**  
01-928 2232  
Credit Cards: 01-928 5833

Clive Pamela James Stephenson Russell Davies  
an elegantly staged revival  
**Charles Charming's Challenges**  
on the pathway to the throne  
by Clive James  
in collaboration of a royal event!  
an evening with a thousand voices  
**Apollon Theatre**  
Tel: 01-437 2653  
**10 June-4 July**  
Preview 9 June 8.00pm  
10 June 7.00pm  
Monday to Friday 8.00pm  
Saturday 6.00pm 8.45pm

**PORTRAIT OF TERESA**  
directed by Pastor Vega  
A moving portrayal of women in Culture today...  
**CATE TERRILL**  
CHINA CAUDEN TOWN  
267-001 485-2446  
Starts Thurs June

**JOSEPH LOSEY's film of Mozart's DON GIOVANNI**  
LORIN MAZZEL conducts the Orchestra & Chorus of the PARIS OPERA  
with RUGGERO RAIMONDI - KIRIL TEKANAWA - TERESA BERGANZA - EDNA MOSKOW  
**ACADEMY CINEMA ONE**  
167 Oxford Street, London W1, 439 2981

## Books

### Side Effects By Woody Allen

(NEL, £5.50)

On one of those Radio 3 tributes that sound like a rehearsal for a Times obituary, S. J. Perelman was asked his opinion of Woody Allen. "What is the difference between the art of Mel Brooks and Woody Allen?" was the question. "Woody Allen is funny," was the answer.

Yes, Woody Allen is funny. I have a friend in New York who thinks he is unfunny, but she knew Robert Benchley in his prime. Most people find Allen funny and would rush to read a book of his in a way that would not, for example, rush to a record of Woody Allen's clarinet playing. But why is he funny? How can a man who has read widely in psychology, philosophy, Greek history, Kafka, literature and baseball

scores, and persists in using them as material, possibly be funny?

Because he uses them all as subjects. All those subjects, with the possible exception of baseball, are concerned with the search for truth. Woody Allen is also concerned to search for truth and, when he finds it, spit it in your eye. This is a basic trick taught in all courses on humour and is known as bathos. There is an example in the first piece in this book.

Needleman... was capable of great compassion, and after witnessing a particularly horrible mine disaster, he could not finish a second helping of waffles.

That poor joke is a typical Allen joke, and the first piece is crammed full of them. The reason Woody Allen is funny is that most of the time he goes beyond typical Woody Allen jokes and creates jokes we don't expect, like a jazz musician who surprises even himself. Try this statement

attributed to Willie Maughan. "My first short story was harshly denounced by one particular critic. I brooded and made caustic remarks about the man. Then one day I reread the story and realised he had been correct. It was shallow and badly constructed. I never forgot the incident, and years later, when the Luftwaffe were bombing London, I shone a light on the critic's house."

Most of the pieces in this book are good, and some are fine-short stories, but the best is "The Kugelmass Episode", a hilarious tale about a bald Jewish professor who is put by a magician into the pages of Madame Bovary so that he can seduce the heroine of the novel. I first read this in the New Yorker a year or two back and, curiously, found it even funnier then than now. Why? Perhaps, I think, because the smallness of the book is a large tourist-sized prior of this book. To extend the theory, I have tried

typing out the same piece in the friendly, quite witty typeface of my own typewriter. In fact, I then sent the piece to some 300 magazines round the world under my own name. Although it was rejected by some as being sub-Woody Allen, it has been accepted by at least 250 and provides me with a tidy income, quite apart from proving the quality of the piece.

Miles Kingston

To sum up, will Allen one day fade as Benchley has faded? Why has he put the poorest piece in the book first? What is the oft-noted but seldom-analysed connexion between jazz and humour? What can you do if you want to be a humorist but have forgotten to be born funny? These are all questions which I would willingly answer given more space and better travelling expenses. Meanwhile, I can only say: do read this book. And if you can't afford to read it, for heaven's sake buy it.

**Correction**  
*Linatic and Lover* is being performed at Theatreplace, Covent Garden, London, and not Bristol, as stated in Monday's review.

Some of the reviews on this page are reprinted from yesterday's later editions

Logical errors remain the comic mainstay, but they are now expressed through an anarchic extravaganza that revels in contradictions, inconsistencies, and moments of glamour. Ephesus at first seems to be a small Italian town in the 1880s with tattered posters on the walls and the lights of the ducal palace glimmering through the trees. Before Shakespeare gets a word in we see a bel canto serenade followed by a charming chamber pot, and when Egeon begins pleading his case, his captors can only look at each other and shrug, "Inglese?"

The two Amphiboluses (Christopher Reines and Bill Buffery) go effectively berserk without turning cruel: it being in the style of the production to soften the hard comic edges and present the girls (Gabrielle Drake and Janet Spencer-Turner) as afflicted victims but never as harsh sexual aggressors.

Irving Wardle



# How Benn gets the unions in his pocket

by Paul Routledge, Labour Editor

The dominoes are falling for Mr Tony Benn. Train drivers, bakers and furniture workers have joined the growing list of unions backing him and, even more critically, his policies. The Benn campaign group now reckon he stands a very good chance of winning the Labour Party deputy leadership.

It should come as no surprise. Mr Benn and his supporters were the first to realise that the widening of the leadership election franchise determined upon by the Wembley special conference had drastically changed the nature of the electorate.

Instead of being confined to a small coterie of MPs, the entire labour movement is now involved, directly or indirectly. So he took the lead in moving where the decisions are made, the spring and summer trade union policy conferences.

With hindsight, it required no great political acumen to appreciate the significance of this shift in the party's leadership election constituency. But by getting in first, and by winning the votes of some key centre-left unions (most notably Mr Clive Jenkins's ASTMS and the print union Sogat), his campaign gained an early momentum and credibility in the unions that his rivals will find difficult to match.

The technique was simple. Each year, the TUC publishes for internal consumption (and the guidance of industrial correspondents) a list of all the union conferences that year, detailing where and when they will be held.

In the past, these conferences were largely ignored by Labour politicians, unless they wanted to deliver an ex-cathedra speech on the perils of wage inflation or tie up a private deal with union leaders on incomes policy. And the politicians only went if they were invited.



Tony Banks: tireless work for the Benn campaign.

Guided by a small group of experienced trade union activists who knew how to play the conference field, Mr Benn simply stood this system on its head. Instead of waiting to be asked to orate from the platform, he invited himself to a "fringe" meeting organized by his supporters.

Now, unlike the Labour Party conference, which has an official fringe with its own printed guide to the competing flat-earthist attractions, the TUC and trade union conferences do not encourage serious business outside working hours. Custom and practice dictated that the evenings are set aside for more convivial pastimes.

But Mr Benn has demonstrated that there is an appetite for politics among delegates. And as the example of the ASTMS conference showed, this enthusiasm when professionally tapped and channelled, can overturn the preferences of union leaders, who until now have things much their own way.

There is no telling where it

will end. For not only do the rank and file actually seem to like Mr Benn, they like what he says. And wherever he goes—and that is practically everywhere—in one recent week he travelled more than 1,000 miles on the campaign trail—the message is the same.

It is a five-point plan, geared now only to pulling in union votes in the deputy leadership poll but also to popularizing the left's political message. Based on three conference decisions, it calls for restoration of full employment by the next Labour government through the alternative economic strategy; expansion of housing, health and other public services; defence of the trade unions and an extension of "self-government" in industry; withdrawal from the EEC; and a nuclear defence policy for Britain.

In effect, Mr Benn has achieved single-handedly in a matter of weeks what the hard-line left has been striving for over many years—the polarization of union conferences. He has done it, moreover, by working on the political sympathies of the lay delegates rather than through the trade union bureaucracy.

On the assumption that the electoral college for the party leadership election (in which the unions have the largest say) is here to stay, that is a permanent change that Labour politicians will have to come to terms with.

And in taking a policy decision on who to support in the election, union conferences have to weigh up the policies of the rival candidates. So, at the very least, the delegates are exposed to the left's arguments and the system becomes a recruiting sergeant for Mr Benn and his allies.

So far rather more than half way through the conference season, Mr Benn has won the



The Benn style... so appealing to the rank and file

support of the ASTMS, the white-collar engineering union, TASS, Sogat, the bakers and the furniture workers; and yesterday the train drivers. The fire brigades union vote is practically in his pocket.

He has been rebuffed by the clerks' union, Apea, the shopworkers, and the postmen, but he did not even bother to woo the engineering workers, know-

ing they are a lost cause. Next week he goes to the General and Municipal Workers, and after that to the steelmen. The glittering prize late this month is, of course, the Transport and General Workers' Union with its blockbuster block vote of 1.25m. TGWU leaders want the conference to defer a decision on the new pay system. The Labour movement far beyond first expectations.

following Mr Silkin's formal entry into the race, this stratagem looks somewhat transparent.

If the TGWU is forced to come off the fence, it will almost certainly be to back Mr Silkin, who is sponsored by the union. That would also take away the votes of the agricultural workers, who are to merge with their "big brother" in the Transport House.

Mr Benn's backgrounds and unions, coming together under the umbrella of the Rank and File Mobilizing Committee. But the key figure in the trade union campaign is Mr Tony Banks, assistant secretary of the Association of Broadcasting Staffs and former research officer of the engineering workers' union. He is CLC, a councillor and chairman of its Arts and Recreation Committee who won overnight notoriety for cutting off a subsidy to the Royal Opera House.

More important, he is also a leading member of the Labour Coordinating Committee, which is now directing the political energy of the left into the trade union movement. Mr Banks, a former Labour parliamentary candidate, is not untypical of the strongly-engaged supporters who have worked tirelessly for the Benn campaign.

The campaigners are even now doing their utmost for the deputy leadership election. Their worst-case analysis is that Mr Healey will top the first poll, with Mr Benn coming second and Mr Silkin third. But it is calculated that Mr Healey will more or less exhaust his resources in the first ballot as he did in the actual leadership race against Mr Foot, and the bulk of the Silkin votes would then go to Mr Benn in the second round. The Benn campaign group reckons he has a very good chance of emerging as the winner.

That assessment is based on the assumption that it will remain a close horse race. They discount rumours coming over from the opposition camp that some on the right would like Mr Healey to stand down altogether in a future election. However, the voting figures finally stack up, it is already abundantly clear that Bennism will survive this party election, and that the new system of choosing the leader has had little effect on the Labour movement far beyond first expectations.

## Henry Fairlie Catching the mood of America

At this time of the year, every university, college, academy and even "high school" in America holds its graduation ceremony. Although they mark the farewell to the graduating class, the ceremonies are rather perversely known as commencement.

The commencement addresses are given by celebrities of varying and sometimes dubious quality. Much the same may be said of the advice which is sometimes given to the students. Even a British journalist has been invited to address a posh private school for girls. He gave them such sound moral advice as he felt justified in offering from his own chequered life. Whatever influence it may have had on the girls, its effect on the headmistress seems to have been unfortunate. A few months later she was charged with shooting her lover, and she is now serving a life sentence for his murder.

President Reagan is of course the biggest catch for any institution. President Reagan this year addressed Notre Dame University and West Point. He is a very different character from the one who addressed the commencement of the University of California at Berkeley. The speakers set out to pass on their wisdom to "tomorrow's leaders", so their speeches tell us what they are now thinking, today's leaders. Communist propaganda is used to be inspired by confidence in America's future. Most of this year's have a common theme of anxiety and self-doubt. It may be said that this has been true for some years. But what is interesting is that, although the last election was said to reflect a returning confidence in America, the anxiety persists this year. The President's addresses were notable exceptions.

Speaking at Duke University, William Styron, the novelist, said that America today may be, as Yeats once said of Ireland, "overwhelmed by responsibility, longing for psychological truth". Perhaps it is at just such a moment, he went on, "that a nation becomes most vulnerable to fear, and falls prey to a terror of witches and demons". His immediate qualification—"but I should not like to think so"—did not sound convincing.

On today's familiar themes was proclaimed by Michael I. Sovern, the president of Columbia University, when he told his own students that "we are learning about our limitations". He exhorted them, as graduating classes are usually exhorted, to "take home pay divided by inflation". Supporters of the alternative strategy could argue that this is not a fair test, since the extra public spending they want would improve living standards in a way that does not mean a loss of money. But it is not true that government cannot choose to have more jobs with higher inflation. The choice is there, and ministers will have to make it soon.

tween sunbelt and frostbelt, are deep and getting deeper. Again, undeniably true, again undeniably anxious.

If ignorance is the beginning of wisdom, we are beginning to be wise. If the strong know their weaknesses, we are beginning to be strong. Those words of Mr Sovern catch the mood, and the prescriptions are for safe and middle courses. But it emphatically is not the mood of the most important of this year's speakers. The contrast with President Reagan's two addresses is startling.

It is perhaps inconsiderate to take that at Notre Dame very seriously. He was there as the film star who played the role of "the gipper", the university's most famous football player, in the movie about the legendary Knute Rockne, who throughout the 1930s was by far its most famous football coach. The President had a ball. The students had a ball. Television news had a ball.

But at West Point he made a speech on defence policy. He said that the people of America have recovered from what can only be called a temporary aberration. He presumably meant by this what he later called "the Vietnam syndrome". "Let friend and foe alike be made aware", he proclaimed, "of what the spirit is that is sweeping across our land". That of course is what he said in his campaign, and it was felt in the hippest circles and of his inauguration. Yet it is hard to find it in the commencement address of others. Now, and most interesting of all, it is hard to find it in the commencement address of his Secretary of Defense.

On the same day as the President spoke at West Point, Mr Casper Weinberger spoke at the Air Force Academy at Colorado Springs. Far from saying that a temporary aberration was over, he spoke of "the fragile national consensus so recently formed for stronger defences", warning that it might be destroyed if "we lose the people's confidence". This was the opposite of speaking of a new spirit, "sweeping the land".

The Administration might lose people's confidence, he said. "If we are perceived as wasteful or unresponsive to new ideas of strategy or tactics", the President told the present audience for strong defences as given, his Secretary of State warned that it was qualified and indeed precarious. To the one, the era of self-doubt is passed; to the other, it is still alive and not ranking.

The rest of the commencement addresses which have been reported from all over the country suggest that it is Mr Weinberger who is nearer the truth. The warnings in them of the "limitations of power", of the need to "reserve the power not to use all your power", are evidence that "the Vietnam syndrome" has not evaporated. The general tenor of them contradicts what the President said. The contradictions raise the deepest questions about the future of the country. It is not surprising to say that one wonders how deeply he touches the real mood of this country. "I say we should be able to love our country best", said Mr Styron "when we refuse to allow a senseless fear to compromise our peace, and the peace of others"; that's an echo from Vietnam.

©Times Newspapers Ltd, 1981

## The case for a touch on the accelerator

Is protectionism the answer? David Blake, Economics Editor, concludes his analysis of the alternatives to Mrs Thatcher's economic policies.

The most radical solution to Britain's economic problems is to drastically increase demand and to impose import controls. Today we look at the impact of a £5,000m boost to the economy, coupled with a tough 30 per cent tariff on all imports of manufactured goods. To stop imports getting round this by bringing in their goods in kit form, we extended the tariff to cover what are technically called semi-manufactured goods such as components.

If the aim is to create jobs, this would be the most successful of the policies we tried. The boost to public spending would provide about 300,000 jobs in the public sector by early 1984. The competitive edge given to our manufacturers in the home market would allow them to employ another 300,000.

As with all policies which create jobs, the resulting fall in unemployment would be less than the number of jobs gained. That is because people who are

not now registered as unemployed would take some of the jobs which became available. But even after allowing for this, the policy is forecast to bring unemployment down by 445,000 from its probable level on current policies.

There would also be gains in output. The boost to public spending would sharply increase economic activity, and by early 1984 it is forecast that gross domestic product would be 3 per cent higher than under current policies.

But the stimulus starts to fade and by early 1984 the growth rate would be lower than under Sir Geoffrey's current strategy unless another boost was given.

On growth and employment, the policy would produce much better results over the next few years than the present strategy. It would be even more successful at stimulating investment. The forecast produced for us by the Economic Intelligence Unit suggests that manufacturing investment would be 10 per cent higher in early 1984 than under current strategy.

But many other things are distinctly less rosy. One is a problem which the use of the Treasury's economic model to

If we get protection plus public spending:

OUTPUT starts rising straight away. Growth of 11 per cent in early 1982, followed by stagnation with some growth in early 1984. National output in early 1984 2.4 per cent higher than with current policies.

INFLATION rises to 17 per cent this winter, peaks at 191 per cent in summer 1982 then comes down to 14.7 per cent by early 1984.

LIVING STANDARDS down by 31 per cent next summer, rise one per cent by summer 1982 then at an annual rate just under two per cent by early 1984. End 31 per cent below present policy for those in work.

UNEMPLOYMENT (including school leavers) rises very gently to go above three million in late 1982, falls very gently for rest of that year then rises late '83 and early '84 to end at 3.65 million in early 1984.

produce forecasts can only hint at. This is Britain's role in the world and in the EEC.

The first time we asked the model what would happen with import controls it went berserk, turning out meaningless strings of figures. We had forgotten that it now includes provision to pay over to Brussels all the duties imposed on goods entering Britain.

We tried again, telling the model to let the British Government hold on to the tariffs which it collected. It is doubtful if an import tariff of this kind is consistent with EEC

membership, so it seems reasonable to assume that if we broke one rule we would break them all.

Nor can the model tell us the extent of the retaliation against Britain if it went down the protectionist road; but most critics of this strategy concede that it would be limited.

Where the model can be of greater help is in gauging what would happen to prices and to living standards. But before it could answer our questions on this, we had to do by rationing the imports

expected to do when tariffs went on.

The fact that import prices would go up by 30 per cent would give British firms a chance to put their own prices up. We assumed that that would account for about half the help they would get; the remaining benefit would be used to increase their share of the home market.

We think this is quite generous to import controls as a policy, but it would still result in a hefty burst of inflation. We forecast that inflation would take off this winter, rising to 191 per cent by the summer of 1982 and then drifting down to just under 15 per cent by early 1984. The actual price level, which gives a test of the total effect on prices over the next three years, would be 17 per cent higher in early 1984 than under current policies.

One way that people might hope to get round it is by limiting the quantity of certain imports rather than using a tariff. That is impossible to test using the model, but it seems unlikely. The aim of protection is to force people to switch away from imports towards British goods. If that was done by rationing the imports

available, shopkeepers would put up their prices. The inflationary impact would be the same.

Because prices would go up and we do not expect workers to get pay rises which fully compensate, living standards would fall by 31 per cent.

This is partly just a matter of how we measure living standards—take home pay divided by inflation. Supporters of the alternative strategy could argue that this is not a fair test, since the extra public spending they want would improve living standards in a way that does not mean a loss of money.

But it is not true that government cannot choose to have more jobs with higher inflation. The choice is there, and ministers will have to make it soon.

What is the main conclusion which emerges from looking at the three alternatives to the Government's strategy? On one level, it is not surprising. One thing has already gone so far, and so much worse is certain to come, that even an immediate change of policy could not reduce unemployment significantly without risking a new burst of inflation.

### PRUDENTIAL TROPHY '81

#### ENGLAND v AUSTRALIA TOMORROW AT LORD'S

### Prudential

The Prudential Assurance Company Limited, 122 Holborn Bars, London EC1N 3NH

### Will Sir Colin make a move to Munich?

Sir Colin Davis, musical director of the Royal Opera House, Covent Garden, looks set to take charge of the Bavarian Radio Symphony Orchestra in succession to Rafael Kubelick, who is retiring. The BRSO, Germany's premier radio orchestra is based in Munich.

Neither Sir Colin nor the opera house management is saying anything for the moment, but I understand that negotiations have been going on for about six weeks and everyone hopes something can be worked out.

Sir Colin is keen to take the job. It will not affect his duties at Covent Garden but may mean that he will have to cut down on some engagements in America. Still, to be settled in when he will start, the exact amount of time he will spend in Germany, and whether any opera work should be included.

Sir Colin: still talking terms. The BRSO was founded in 1949 by Eugene Jochum, who gave it a strong Bruckner flavour. Jochum was followed in 1951 by Kubelick, who added his own interest in Mahler. The orchestra is characterized by a warm, full sound with a strong woodwind section.

Shifting sand. Anatoli Rybakov, the Russian Jewish writer, has been mysteriously prevented from coming to Britain. He was due last night for the publication of his book *Heavy Sand*, but Penguin, who had arranged a series of lectures,

### THE TIMES DIARY

The Earl of Harwood, a first cousin of the Queen, has been invited with his wife to the royal wedding next month. The invitation is seen as marking an end of the rift between him and the Royal Family which followed his divorce in 1967.

Lady Harwood, managing director of the English National Opera, was not invited to Princess Anne's wedding in 1973 nor to the funeral

the previous year of the Duke of Windsor, his uncle.

His marriage to his first wife, Marion, now Mrs Jeremy Thorpe, was dissolved in 1967. He then married Patricia Tuckwell, an Australian who had been his secretary. Although the Queen signified her intention to give consent to her cousin's second marriage under the Royal Marriages Act, there followed long disavowal. Even now he is expected to be given a seat towards the back of St Paul's.

meetings and receptions in his honour, received a terse telegram on Monday from Vaap, the Soviet authority which oversees Russian writers' activities abroad, cancelling the visit. It gave no reason.

Reading between the lines, the reason would appear to be as follows. For some years Rybakov has been regarded as one of Russia's "tame Jews", a visible token by which the authorities seek to prove they are not anti-semitic. *Heavy Sand*, for example, is about the persecution of Jews in Russia by the Nazis during the Second World War and is one of very few recent Russian works allowed to show the Jewish plight. At the same time it whitewashes the rough treatment of the Jews at the hands of the Russians themselves, especially in the Ukraine, before the war. It has been derided by Russian Jewish émigrés.

However, there are signs that Rybakov may have had a change of heart. Earlier this year he spoke at the funeral of another Russian writer, Yuri Trifonov, who was much more critical of the Soviet system. By delivering what is described as a "very outspoken" eulogy Rybakov was in effect alienating himself with Trifonov. The ban may be his reward.

Trifonov is also understood to have written a novel, to be published posthumously, which is so critical of life in Russia that it could never be published there. It has been suggested that Rybakov might have planned to bring the manuscript with him, but that too must now be counted a casualty.

### Into society

Senior sociologists, psychologists, anthropologists, industrial relations experts and others will converge on the Royal Geographical Society headquarters in Kensington Gore today. They will attend a preliminary meeting to decide whether they should set up their own body, akin to the Royal Society or the British Academy.

Many social scientists feel they have no organized body to look after their interests. The Royal Society and the BA are seen as oriented to the physical, medical and biological sciences and to the arts; as a result, the social sciences are left out in the cold.

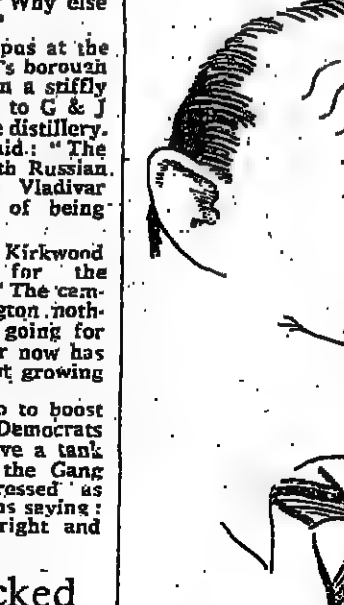
The idea for a new body was first canvassed at a meeting between the sociologists and the director of the Social Science Research Council, Mr Michael Foster, who personally supports the idea. John Eldridge, Professor of Sociology at Glasgow University and until recently president of the British Sociological Association, wrote a number of professional organizations (including political scientists, management studies and geographers) inviting them to attend. He expects about 30.

Spirited opposition. I don't advise the Social Democrats to impose a city-slicker as their candidate on the good people of Warrington at the coming by-election. They are sick of the unwelcome publicity foisted on them by Kirkwoods, the London image-makers who are advertising

### Members of the Wedding (3)

Your Grace is hereby welcomed to Down Under. Charles is a poofier name. I'll call you Chunder. Despite his more than twenty years at school On certain subjects Kerry was no fool. He showed young Charles the art of chopping wood

And kept him at it till he understood.



Whitener blacked. The National Union of Journalists plans to ban the use of Tippex, the magic whitener, beloved of secretaries prone to typing errors. Hawk-eyed members at Butterworths, the legal and medical publishers, have used it extensively to correct authors' manuscripts alerted the union to the warning in four languages on Tippex bottles: "Do not inhale. Keep out of children's reach. May attack certain plastics."

The United States Department of Health has said the fluid's components can cause symptoms similar to a hangover. Butterworths staff have meanwhile returned to old-fashioned editing: crossing out mistakes with a pen and writing over the top. For some reason their printers have complained. For Times printers, men of sterner stuff, the more involved the editing the greater the challenge.

### Aide memoire

When Francois Mitterrand looks out of his presidential office in the Elysee Palace he sees some pretty blue flowers in the window box. They were planted on the instructions of his predecessor, Giscard d'Estaing, before he moved out and are proof that it is sometimes more eloquent to say it with flowers. To botanists they are *Myosotis*, to the French *Ne m'oubliez pas* and to us, forget-me-nots.



Peter Watson





P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234.

## WILL FRANCE GIVE A LEAD?

The new French Government seems to have got itself into a muddle over nuclear testing. Friday's decision to suspend underground tests on a Pacific island has now been followed by the announcement that tests will in fact be resumed. However, no date has been given, so it looks as if Mitterrand is trying to win time for thought while keeping his options open. Obviously he is exposed to conflicting advice on the subject. But although his hesitations are probably caused largely by domestic political considerations, they could be useful if they lead to a new examination of the whole problem of nuclear tests, which might influence other countries too.

All tests are dangerous. Even underground tests have a tendency to leak and thereby contribute to radiation in the atmosphere. The contribution is, however, very small, but it is there. If there were overriding security reasons for continuing tests, the hazard would be sufficiently small to be faced, but the experts disagree on how much real need there is for further tests. Some argue, that tests are essential not only to keep up in the arms race but also to ensure that existing nuclear weapons still work. Others say that with all the

knowledge now available it is perfectly possible to maintain and develop nuclear weapons without any more testing at all.

However, it would be very difficult for any nuclear power to abandon tests on its own. As long as the arms race continues, any state which is trying to maintain a nuclear arsenal will be under very strong internal pressure to continue testing. The only effective answer, therefore, is a comprehensive test ban treaty. Britain, the United States and the Soviet Union have been in negotiation on the subject since 1977 and have made considerable progress, even on the sensitive subject of verification — though this is not yet entirely solved. However, President Carter put the subject on ice while he battled with the strategic arms limitation talks, and Mr Reagan's Administration has not even got around to appointing a delegation because it is still trying to work out its whole approach to arms control.

France is not involved in these negotiations. Nor did it sign the Non-Proliferation Treaty of 1968. However, it did re-join the United Nations Committee on Disarmament in 1978, and it is proposing a European Disarmament Conference under the auspices of the Conference on Security and Cooperation in Europe, now

bogged down in Madrid. It is, therefore, involved in the subject of disarmament. It now has an opportunity to become more involved by showing an interest in the Comprehensive Test Ban negotiations, perhaps by making the continuation of its own suspension of testing conditional upon rapid progress towards a CTB.

This might give the negotiations a much-needed push. Not that the CTB treaty would have a decisive impact on arms control as a whole. Its contribution there would be modest in that it could be extended for more than the planned three years it would slightly slow down the development of new weapons. However, it could help to make the Non-Proliferation Treaty more effective because, one of the reasons why this treaty has had such very limited influence on third world countries is that the signatories have failed to carry out their obligation under the treaty to end the arms race, to "undertake effective measures in the direction of nuclear disarmament", and "to achieve the discontinuance of all test explosions of nuclear weapons for all time". France has a particularly bad record in contributing to nuclear proliferation. Mitterrand could now give a lead in a better direction.

## RATES OUT OF JOINT

When local councils draw up their budgets, they always allow a little extra for unforeseen events. Nowadays, Mr Heseltine regularly comes along afterwards and makes them take it out again. In the ordinary course of events, the year usually passes without the necessity being needed and the eventual out-turn is lower than the budgeted figure.

It is hard to say how far Mr Heseltine's bumping-down activities affect the result. Budgets for the financial year two months old are about as far in percentages above the target for current spending as were those for last year, for which expenditure is expected to come within one or two per cent of the target when the sums are complete. The over budgeting councils include many Tory ones. But the strategic need to keep the closest restraint on public expenditure is so acute that Mr Heseltine's precaution is worth taking, so long as the accompanying sound and fury is not allowed to obscure the truth that local government has responded far better in recent years to appeals of this kind than departments of central government have.

This is so even though the Government's sanction of with-

drawal of grant is a very imperfect one. Councils determined to maintain their spending can recoup the lost grant from the rates. After the local government elections, more councils than before may be ready to consider defiance of this kind. Mr Heseltine's undefined threats about immediate counter-action in the current year reflect that anxiety. His new budget powers, intended to enable him to penalise overspending councils while leaving obedient ones unscathed, are useful in principle, but they were enacted in such a hurry that they penalize many councils that have done their best to conform while leaving big spenders scarcely affected. And since the Government's basic interest is in aggregate spending, councils of all colours have been too apt to respond by dropping services, rather than by trying to increase efficiency.

Ideally, of course, the extravagant council should be held in check through fear of its own electorate. That is the underlying principle of local accountability. But the prominence of national politics in the voters' minds and the shortcomings of the rates as a tax mean that this discipline operates only to a limited extent. Sixty per cent of

local spending is paid for not by the ratepayer but from general taxation through the grant. Sixty per cent of the remainder is paid for not by the local elector but by the disenfranchised commercial ratepayer. In many cities the domestic rate is even less important, and it is often disguised for the payer by its incorporation into council rent demands: it may be no coincidence that many of the most resolutely extravagant councils hold sway in just such areas.

These weaknesses have been apparent for years, and grow increasingly harmful. Yesterday's promise of a major study of methods of replacing the rates altogether was hardly over-hasty for a party committed to abolition since the mid-seventies. But the factors which have made the Tories hesitate still apply. The rates have their faults, but so do all the alternatives which have been put forward. A local spending crisis this year or next might drive the Government to further hurried legislation threatening local independence in unpredictable and dangerous ways. But the point has been reached where a real local decision can only be safeguarded by means of a stable and widely acceptable reform of local finance.

Of course, a stable and widely acceptable reform of local finance is not a simple matter. It is a complex one, involving many of the most difficult questions of public finance. It is a task which will require the best of all possible governments to achieve.

## THE HARASSMENT OF MR BANI-SADR

The campaign by Islamic fundamentalists in Iran against President Bani-Sadr seems to be gaining momentum. Two of the President's advisers have now been arrested on charges of bribery and corruption. Prominent supporters of Mr Bani-Sadr, including the Governor of the Central Bank, Mr Ali Reza Nowbari, have been harassed and threatened by the Revolutionary Guards. Liberal-minded newspapers have been closed down and then "allowed" to reopen. Most serious of all, the three main "conciliation commissions" appointed by Ayatollah Khomeini to adjudicate between the moderate group around Mr Bani-Sadr and the hardline clergy of the Islamic Republican Party has found in favour of the latter. The commission has accused the President of violating the constitution, and although no legal action was recommended there have been renewed calls for Mr Bani-Sadr to be put on trial.

Despite this increased pressure, Mr Bani-Sadr remains in a strong position. The conciliation commission was weighted against him from the first, since it consisted of one Bani-Sadr supporter, one nominee of the IRP, and one member appointed by Ayatollah Khomeini. Although the Ayatollah's man was in theory neutral, he leaned towards the clergy, thus making an outcome unfavourable to the President almost certain. In any case, the commission will have some difficulty proving

that Mr Bani-Sadr has in fact violated the constitution. His main offence, judging by the commission's report, is that he refused to sign a Bill, already passed by the Majlis (Parliament), empowering the Government to appoint Ministers to those portfolios still vacant. Since the Majlis is dominated by the fundamentalists of the IRP, this has become something of a test case. But the constitution — although ambiguously worded on this as on other points — appears to give the President the power to vet Ministerial appointments, and it will take a great deal of legal wrangling to prove otherwise.

The vehemence of the fundamentalists' attacks on the President may well therefore be due not to any feeling that the tide is turning their way, but rather to anxiety in the face of the vigorous, increasingly combative attitude adopted by the moderates. The struggle between the two factions is by no means clear cut, and the refusal of Ayatollah Khomeini to take sides in a decisive way has added to the confusion. The present phase of the struggle stems from a rally at Tehran University in March, at which supporters of the President turned on the fundamentalist gangs who were harassing them. Since then Mr Bani-Sadr has spoken out strongly in the moderate cause, chiding the dogmatic clergy for "trying to return Iran to tyranny". At the air force base at Shiraz last

week, the President defied attempts by the IRP to "out-manoeuvre" him by insults and abuse, as he put it, and declared that he was not afraid of threats to put him on trial.

The armed forces remain Mr Bani-Sadr's principal base. The President is also commander in chief, and although setbacks in the Gulf War could yet undermine him, the fact that Iran has held off Iraqi attacks over a period of ten months has redounded to his credit. Above all, Mr Bani-Sadr's standing remains high among the Iranian people, who elected him by majority vote in the first place. The IRP's jibe that liberals of Mr Bani-Sadr's stamp spent a life of ease in Paris before the revolution, and therefore do not know the Iranian people, may appeal to the more obscurantist elements in Iranian society, but will not wash with those who know the President and his advisers to be patriots who combine genuine devotion to Islam with moderate left-wing views. The fundamentalists have yet to show that they have any workable alternative to the sensible and realistic policies with which Mr Bani-Sadr hopes to pull Iran out of its economic and political isolation. The danger is that they will none the less manage to use Ayatollah Khomeini's current ban on political speeches to restrict still further the limited opportunities available to the President to canvass support for his policies.

## Inner-city churches

From the Reverend Gavin Reid  
Sir, I write in support both of the point Canon Eric James (May 27) made about the plight of the inner-city churches in our country and of his suggestion for an archbishop's commission on the problem.

I write as a staff member of the Church Pastoral Aid Society, and in that capacity I travel widely throughout England and have seen many of our urban parishes at their worst. The overwhelming conviction that comes to me from all this is that the Church of England is really two churches. On the one hand there are the suburban and commuterland churches, which certainly seem to be in better health than 15 years ago and where, in many instances, attendances are moving up again.

reappoint their premises. A developing feature of our times is the engagement by some of these churches of full-time paid-untrained administrative and pastoral staff — a factor which needs to be remembered when we look at clergy statistics.

On the other hand, we see the closures, amalgamations and the morale-sapping battle against vandalism which typifies many of our urban situations. I recently visited a largely local authority housing area in one of our large cities where two clergy are expected to minister to over 80,000 people through four worship centres. It goes without saying that there are no extension projects or extra lay staff to be found there.

To complete the picture I should add that the rural parishes are also facing very serious staffing and financial problems. If this two-faceted situation is allowed to continue then, as far as the national church is concerned, Christianity

may well have organised itself into a middle-class phenomenon within the next decade or so.

In saying this I do not want to imply that the Church of England's record in trying to minister to the people of our cities is poorer than those of other denominations. In many ways our record is better than most. We have "hung in there" longer than many of the Free Churches because of our central financing and through some magnificent clergy and other Christian workers who often feel isolated and unsupported by the rest of the Church.

And yet I have the feeling that Anglicans have largely become parochialists and that there exists very little national will to minister sacrificially amongst our fellow citizens in the urban areas.

Yours sincerely,  
GAVIN REID,  
Church Pastoral Aid Society,  
32 Fleet Street, EC4.  
May 28.

## Reducing the burden of rates

From Mr Geoffrey Rippin, QC, MP for Hesham (Conservative)

Sir, The erratic operation of the new local government block-grant system, coupled with the anomalies of the rates, has created a very real enterprise zone, has stimulated fresh demands for rating reform.

Hard-pressed businessmen, faced with rising rate demands and having no effective vote or voice in local affairs, are pressing for the abolition of the rating system or for more central controls. Both courses are fraught with dangers. The original plan, prepared by Mrs Margaret Thatcher in August, 1974, "abolish the domestic rating system and replace it by taxes more broadly based and related to people's ability to pay", and to do so within the normal lifetime of a Parliament, has foundered on the formidable obstacles in the way of finding an alternative (and no doubt equally unpleasant) levies.

The alternative of re-jigging the basis of government grants and imposing a more central control has not worked and will not work. Moreover, it is a basic tenet of Conservative philosophy to encourage local democracy rather than to impose the domestic rating system, which over the years has become a major cause of local discontent.

This does not mean that nothing can be done. The Government should take steps to implement the first proposal which Mrs Thatcher made in 1974, namely that "in the medium term we shall transfer to central government the cost of teachers' salaries and the cost of education authority expenditure on police and the fire services will qualify for increased grants from the Exchequer. We shall see that this saving is passed on to the ratepayer."

In present circumstances the best

and fairest way of passing on that saving would be to introduce a measure of industrial and commercial de-rating.

This would not prejudice longer-term action nor preclude the Government from taking decisions on the more comprehensive recommendations in the neglected Layfield report. Nor would it prevent Mr Heseltine negotiating, as he must in the traditional way, on a more rational distribution of grants and the acceptance of local expenditure targets in line with current economic needs.

Yours faithfully,  
GEOFFREY RIPPIN,  
House of Commons.  
June 1.

From Mr Tony Travers  
Sir, Mr Martin Brannan's misconception about local government overspending (May 29) is widely held.

In the period covered by the recent public expenditure White Paper (1975-76 to 1981-82), local authority expenditure is shown to have fallen by 20.9 per cent, while spending under the direct control of central government has increased by 7.9 per cent.

It is easy to see why councils have been forced to control their spending when the Government has not done so. Rates are highly visible and thus less popular than other forms of taxation or Government borrowing. The strength of rates is that, unlike most regular taxation, they make taxpayers aware of what they are paying. This is a most compelling reason for their retention.

Yours faithfully,  
TONY TRAVERS,  
33 Rashleigh House,  
Pall Mall, SW1.  
June 2.

## Labour's plans for private education

From Mr R. J. Rees

Sir, The Labour plan (your Education Correspondent's report, May 27) for killing off the independent schools and creating a virtual state monopoly in education will surprise nobody, though it is hard to understand how anyone who has observed the working of state education over the past three decades can be so eager to destroy the alternative.

The importance of having such an alternative is nicely illustrated in 1945-51, when (under a Labour government) selection at 11 plus was all the rage. Many thousands of parents who resented their children being branded as failures at that age looked to the independent schools for help. A number of such schools, particularly some of the smaller ones, were able to prove that the "failures" were often perfectly capable of being educated to university level. The principle of comprehensive education was thus established by some of the very schools Mr Kinnock and his friends now want to destroy.

Of course, it is "unfair" that private schools are at present only available to the reasonably well-off, and I share Mr Kinnock's dislike of the present assisted places scheme. I also share his dislike of the "for-profit" more equal society. But a totalitarian system of education is too high a price to pay.

Yours faithfully,  
R. J. REES,  
Manor Farmhouse,  
dischamper,  
Cambridge.  
May 28.

From Prebendary John C. de la T.  
Sir, You report that a joint Labour-Party-TUC policy statement proposes that the next Labour Government would introduce a short Bill to "parliamentary transfer" responsibility for any trusts with educational purposes from the Charity Commissioners back to the Secretary of State for Education.

Britain abounds in trusts for educational purposes, and I am a trustee of two such trusts, in different parishes of the Golden Valley. Here is a typical one.

John Smith was a cattle drover of, I remember right, the seventeenth century, whose normal route took him through these parts. In the parishes of Clifford and Peterchurch he found such a hospitable welcome that when he died he left sufficient money to found a school in each parish, and almshouses in Peterchurch for both. In due course the parishes of Clifford and Peterchurch council, and under the direction of the Charity Commissioners the proceeds of the sale were invested to provide a regular income to be used, as the trustees saw fit, for educational purposes.

Value of books

From Mr. Daniel McDowell  
Sir, Lord Rothschild's comparison (article, May 28) of the investment performance of his 10 examples of rare literature with shares in Royal Dutch is fascinating but does not demonstrate that collecting is not a good long-term investment, nor even that collecting rare books is a good investment.

If Lord Rothschild had been rather less fashionable in his taste and had bought books, let us say, on

purposes which benefit the people of our two parishes.

It would be improper to mention the many ways that we have been able to help with the education of individual children or young people; I will, however, mention that we have never yet helped anyone at a fee-paying school. We have also helped the parent-teacher associations of the three local education authority schools in Peterchurch and Clifford, Fairfield High School and the two county primary schools, to obtain equipment for their schools which the county council could not afford to provide.

John Smith was grateful for the hospitality of the people of Peterchurch and Clifford. He had no special gratitude to any Secretary of State. I think he would approve of the way that we, his trustees, have carried out his wishes. Any government of any political complexion which stole these ancient local endowments would incur the hostility of the people of the many endowed parishes and towns in this life, and no doubt, of the benefactors themselves in the next.

Sincerely yours,  
JOHN C. de la T. DAVIES,  
Peterchurch Vicarage,  
Hereford.  
May 27.

## University control

From Professor John Griffith  
Sir, It is now becoming clear that the University Grants Committee is preparing a detailed set of instructions to which universities will be required to conform in order to receive financial support.

Such sets of instructions will, in their scope and intensity, rival the political control exercised over universities by the worst statist regimes of recent times. It is almost unbelievable that the Secretary of State for Education and Science — the UGC is no more than an advisory committee to the Government — should embark on so blatant an invasion of the rights and obligations of ancient and modern universities.

It cannot be too strongly emphasized that universities must, in a free society, make their own decisions on how to spend their reduced income. Any other way of proceeding must destroy, probably forever, the independence of universities.

Yours truly,  
J. A. G. GRIFFITH,  
Chairman, Council for Academic Freedom and Democracy,  
186 King's Cross Road, WC1.

the history of technology, science, medicine or natural history, his figures would have looked very different. One example would be Darwin's *The Origin of Species*, now worth well over £2,000.

Yours faithfully,  
D. McDOWELL,  
McDowell and Stein Ltd,  
56 Paternoster Row,  
York.  
May 26.

## Attacks in Ulster

From the Headmaster, Merchant Taylors' School, Crosby

Sir, I think I may not be alone in feeling increasingly irritated at so frequently reading statements by politicians and others about how patient and self-controlled our soldiers and policemen are when faced with the prospect of death or rocks and other dangerous missiles.

No other country's security forces, one reads ad nauseam, would confine their response to plastic bullets. Could it not be, Sir, that other countries are right? There is a strong case to be made that this can not only delay a solution to the problem but also jeopardize quite unjustifiably the safety of the young men and women whom we commit to the fray. We cannot excuse this by praising their self-control.

Many years ago I was a young soldier in Palestine during the last troubled period of the Mandate. We faced all kinds of strife, but at least no one threw petrol bombs at us; anybody doing so would have been

instantly shot dead: everyone knew this.

Surely we should let it be known publicly that people throwing petrol missiles in Northern Ireland, Britain, or anywhere else, render themselves liable to be shot with real bullets. They would probably then desert. At present intelligentsia are merely invited to participate in an exciting game with only the slightest risk to themselves.

A few weeks ago I met a young policeman who had voluntarily cut short his leave and gone to Britain to offer his services, as soon as he heard of the rioting there. How one admired his spirit and that of his colleagues, both men and women, but our security forces need and deserve to be allowed adequately to protect themselves.

If they have to risk their lives they should be allowed to patinate and plastic bullets. Perhaps on this occasion we are being foolish and irresponsible in diffusing so markedly from other countries?

Yours faithfully,  
DAVID R. JOHNSTON-JONES,  
Merchant Taylors' School,  
Crosby, Liverpool.

## England's football malaise

From Mr Stephan Schattmann

Sir, I gather all is not well with English football and its place in the World Cup tournament. Would it be tedious to suggest that the time has come for Great Britain to follow the example of every other country taking part and field one team drawn from all available talent? After all, as Gerald Sinistat (feature, June 1) points out, English clubs' win European competitions with contributions from Scots and Dutch players. Wales heads their World Cup qualifying group. And Scotland beats England.

It is highly unlikely that other countries would object. Indeed, in 1972 Latin-American members of FIFA, led by Uruguay, proposed that in future World Cup tournaments Great Britain should be represented as one country and get under four separate flags. The motion was eventually withdrawn, and I do not know whether the question has been ventilated since.

As for the "political" aspect, the West German squad that won the World Cup in 1974 included several members of Bayern Muenchen, and you cannot be more devoted-minded than a Bavarian. Bearing in mind the quite remarkable impact of England's victory in 1966 on the general social climate, the fielding of a British team in 1986 with what must be a better chance of bringing home the cup could well make a contribution of even greater magnitude.

Perhaps some FIFA member country should be gently encouraged to raise the matter again at the next FIFA conference.

Yours faithfully,  
STEPHAN SCHATTMANN,  
Reform Club,  
Pall Mall, SW1.  
June 1.

From Mr Robin Gadd

Sir, Gerald Sinistat and Norman Fox, in their respective articles (June 1) on the current problems faced by the English national football team, offer a number of sensible remedies both for prevention and cure. I was surprised, however, that neither writer made any direct reference to possible "psychological" causes. Clearly, the recent run of defeats and conse-

## Psychiatric evidence

From Professor Antony Flew  
Sir, Professor R. S. Bluglass (May 28) gives some explanation of the difficulties facing psychiatric witnesses asked to give evidence to help juries to decide whether an accused person was at the time of the offence suffering from some abnormality of mind as would substantially impair his mental responsibility. Among other things, Professor Bluglass notices that "in practice the degree of abnormality accepted by the courts is sufficient to vary from 'case' to 'case'."

The degree sufficient to reduce murder to manslaughter in a "mercy killing", for instance, is very different to that required for a case such as Mr Sutcliffe's.

But what Professor Bluglass appears not to have noticed, and certainly does not remark, is that abnormality as such is totally irrelevant to questions of accountability. Someone may deviate from the actual rules of society, or even his own society or even of the entire human race without thereby becoming any the less able than any of us to recognize the nature of what he is proposing to do, and to act or to abstain from action at will.

What, surely, the courts ought to be asking the "psychiatrists, and what the psychiatrists are uniquely qualified to tell them, is whether the accused was at the time of the offence afflicted with some mental illness, and what were the discomforts and/or incapacities necessarily consequent upon and characteristic of that condition. If it really were "merely deviance from some actual average" which properly concerned the courts, and not the distress and incapacitation necessarily consequent upon a sort of illness, the courts would be able to summon to the witness-box not psychiatrists but psychometrists and social statisticians.

Yours faithfully,  
ANTONY FLEW,  
Department of Philosophy,  
University of Reading,  
Whiteknights,  
Reading.  
May 29.

## Salvation Army

From Dr C. R. C. Heard  
Sir, The ATV, documentary, *For Cause and Sake*, concerning the Salvation Army, was shown on the 27th of May 27) pose two sets of questions which require honest answers.

1. Concerning Salvation Army hostels: Are the homeless ever refused shelter for want of money? If so is this due to local business zeal or army policy? General Browne is about "phony" investigators and spectators heckling from the sidelines alarmed me much more than the documentary. I preferred the honest bewilderment of the lady who heads their social department. The army's severest critics write in fact plainly not spectators but people who cared about people.

There is of course nothing wrong in running a guest house or hotel as a business, be it for tramps or millionaires, as long as it is advertised as such. This would exclude, of course, any claim to it being specifically Christian work.

2. Concerning collecting from the public: Aid Week is just behind us and Christians of nearly all denominations have stepped off the sidelines to help. At least in our locality, the Salvation Army excused itself from this on the grounds that its Christmas collection is a parallel effort. We accepted this. It is therefore a shock to find that most of the money collected goes to driving its own "church" machinery and only 14 per cent to social work. This, sadly, puts them in the same group as Moonies or Jehovah's Witnesses.

The only possible excuse for collecting money largely for Christmas and public is to help needy fellow human. Please, General Browne, trust God for your own needs.

Yours etc,  
CAREY HEARD,  
37 Boyne Avenue,  
Hendon, NW4.  
May 28.

quent damning remarks by many observers has taken its toll on both management and players.

Perhaps Saturday's defeat by Switzerland highlighted this. For the initial 30 minutes England looked agitated and insecure; it turned to near hysteria after conceding two sudden goals to "lowly" Switzerland, a blow from which they were unable to recover. Surely we should be encouraging and supporting the team, not telling them that, as does the headline over Mr Sinistat's article, "English soccer has run out of steam". This is the only way to put heart back into the squad before next Saturday's vital game in Hungary. We do have great players; it may be symptomatic of the psychological pressures in the England team that these world-class players like Trevor Francis to perform considerably worse for England than he does for Nottingham Forest.

Yours faithfully,  
ROBIN C. GADD,  
13 Quarrydale Road,  
Sutton Coldfield,  
Nottingham.  
June 1.

From Mr Alastair MacGregor and Mr Peter Leaver  
Sir, In view of recent events at Sir, will the English Football Association please reassure those of us who support the more successful of the international teams from the British Isles

1. That it will support any decision by the British Football Associations not to send a team to England for fear of violence.

2. That it will ensure that tickets for all future England v Scotland matches will be sold only in Scotland.

May we also rely upon British Rail and London Transport to refuse to serve alcohol to English fans or, indeed, to carry them?

Finally, may we assume that the English press will pursue, as effective a vendetta against English fans as it has in the past against the Irish and the Scots?

Yours faithfully,  
ALASTAIR MACGREGOR,  
PETER LEAVER,  
1 Essex Court,  
Temple, EC4.  
1 June.

## Thorpe report

From Mr Walter Bluhm  
Sir, This morning's radio report of "what the papers say" (May 31) opened with the "truth behind the biggest political scandal of the decade". I find the curtain rising again on drama, wheeled in by Paul Brown, and concluded with the acquittal of the principal actor and his co-defendants, unacceptable.

The verdict of an English jury should have been the last word. One of the defendants, through the medium of Fleet Street, has now reopened the case although he chose to remain silent at the trial, surely not, as is now suggested, simply as a token of magnanimity. If his "only reason" for telling the story is to try to satisfy a relentless curiosity and to bring to an end press persecution which has continued unabated, one is left wondering why the newspaper which pushed the story "has paid a substantial fee to a charity in return for (his) cooperation".

Could the publicity value be more important than respect for English justice and the ancient principle of playing the game? Who is being relentlessly persecuted — the informer or the party against whom he gives evidence after due process of law? Or is the story being told to satisfy a journalistic curiosity and thereby to the generous donor and thereby to the profession of journalism?

Yours faithfully,  
WALTER BLUHM,  
3 Brangwyn Crescent,  
Westdene,  
Brighton,  
Sussex.

## A journalist's sources

From the Chairman and Joint Managing Director of Granada Television

Sir, Mr Paul Matthews, in his letter about the law of contempt (May 28) is mistaken in saying that in the case of BSC v Granada the court ordered that the Identity of the source should be revealed in order to enable BSC to take action against him. This is not so. Early in the case BSC made it clear that they had no intention of pursuing any legal action against any source if and when Granada were to name him. It was for this reason that a feature of Granada's defence in the House of Lords rested on the fact that the Norwich Pharmacal principle was only applicable when there was wrongdoing by the source and a clear intention by the plaintiff to cause damage by revealing the source of the law. It would appear, nevertheless, that this did not help Granada's case, which was dismissed.

The changes in the law accepted by the Attorney General are in accordance with Lord Salmon's minority judgment in the House of Lords and from the initiative taken by Lord Salmon and Lord Scarman when the Bill was first laid before the House of Lords. It would appear to a layman to be crystal clear that they will ensure that in future no journalist need reveal a source if the reasons for so doing are the sort put forward by BSC. Namely *inter alia* to dispel the cloud of suspicion hanging over their employees, including their highest executives, and the need "to clear the air" in order to restore mutual confidence.

Yours faithfully,  
DENIS FORMAN,  
Granada Television Ltd,  
86 Golden Square W1  
May 29.

## Best of breed

From the Chaplain of Sussex University

Sir, Last weekend I conducted a marriage service in the chapel of the University of Sussex at which the best man was a woman. I could see no reason to refuse this request.

Have there been such best persons before?

Yours faithfully,  
COLIN P. THOMPSON,  
Meeting House,  
Falmer,  
Brighton,  
Sussex.







Uphill struggle  
for the Irish  
economy, page 21

# Business News

THE TIMES June 3 1981

Fresh approach  
to monetary  
control, page 21

■ **Stock markets**  
FT Ind 547 down 22  
FT Gilt 67.27 down 0.57

■ **Sterling**  
\$2.0380 down 200 points  
Index 98.1 down 0.2

■ **Dollar**  
Index 107.9 up 1.0  
DM 2.3682 up 367pts

■ **Gold**  
\$476.50 down 66

■ **Money**  
3 mth sterling 121.121  
3 mth Euro 518.181  
6 mth Euro 516.161

## IN BRIEF

### SE election will be contested

A fight for a place on the powerful 45-seat ruling Council of the Stock Exchange was signalled yesterday. For the first time in three years there will be a contested election for the 14 vacancies created by retirements and departures this year. Although there is one more candidate than seats to fill, it is understood more will come forward before nominations close on Thursday next week. Traditionally the Exchange has found members reluctant to come forward to fill the time-consuming jobs which police and govern the rules of the market. But it is now thought, with the changes facing the Exchange, it is still due to appear before the Restrictive Practices Court in three years—that it is better to have a vote and thus direct knowledge of what is going on.

Twelve Council members retire by rotation, ten including Mr Nicholas Goodson, the chairman, offer themselves for re-election. Two others are leaving the Council and there are five candidates for the four vacant seats.

**Vickers pay-off**  
Compensation totalling £155,000 was paid last year to former directors of Vickers, the armaments and engineering group which took over Rolls-Royce Motors. Names are not disclosed, but a large part is likely to have gone to Dr "Bill" Willetts, former managing director, who resigned in May last year.

New attack, page 22

**UN wheat forecast**  
A record world wheat harvest of 460 million to 480 million tonnes is forecast this year by the UN Food and Agriculture Organisation, compared to 444 million tonnes last year and the previous record of 449 million tonnes in 1979.

**Saudi gold talks**  
Saudi Arabia is preparing to exploit its gold deposits, the UN Food and Agriculture Organisation, controlled by De Beers, after talks between them ended without a new marketing agreement.

**Zaire diamond sales**  
Zaire is likely to market its diamonds through the Central Selling Organisation, controlled by De Beers, after talks between them ended without a new marketing agreement.

**Cement price freeze**  
Cement makers are to freeze prices for a further six months, the Cement Manufacturers Federation said yesterday. But the federation gave warning that prices would rise by as much as 12 per cent in November, if costs, particularly coal, and other sources of energy, continue to rise as expected.

**Reed profits dip**  
Profits of Reed International, the publishing and packaging group, fell from £95.9m pre-tax to £50.4m in the year to March 29. The results were depressed by heavy rationalization costs.

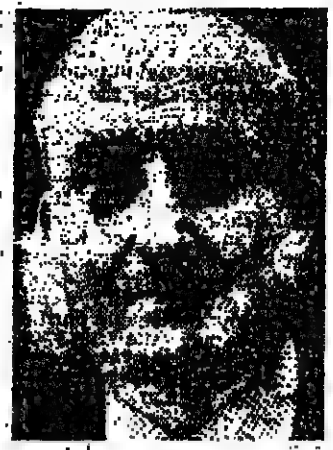
**Surprise in store**  
Debenhams, the department store group, surprised the stock market with pre-tax profits of £25m against £15.8m last time for the year to end January. A property revaluation threw up a surplus of £70.3m. The shares rose 8p to 109p.

**The pound**  
Exchange prices for the pound are now contained in The Times Information Service on the back page.

**Wall Street lower**  
The Dow Jones industrial average closed 10.45 points down to 987.48. The SDR was 1.16296. The £ was 0.56983.

## EEC trade talks with Japan a total failure

From Peter Norman, Brussels, June 2



Sir Roy Denman: "We are very disappointed."

The European Commission today admitted total failure after a five-year struggle to force Japan to cut back its massive trade surplus with the EEC.

Talks between Sir Roy Denman, the EEC Commission's director of external relations, and Mr Kiyoshi Kikuchi, of the Japanese Foreign Trade Ministry, were broken off ahead of schedule last night after it became clear that Japan refused either to curb its exports to the EEC or make its markets more open to European goods.

"The facts speak for themselves more eloquently than I can," Sir Roy told a press conference here today. "The talks amount to pretty near zero and actually we are very disappointed."

The EEC's overall trade position with Japan was worsening, he said. A trade deficit of \$11,000m (£5,300m) last year had been followed by a "whopping increase" of 46 per cent in the bilateral trade gap to \$3,660m in the first four months of this year.

There was no sign of moderation on the part of the Japanese. In sensitive areas such as cars and television sets, EEC surveillance procedures had uncovered increases of 18 per cent and 40 per cent in the volume of imports from Japan.

In the first three months of this year, at the same time, European exports to Japan were restricted by inequitable tariff arrangements and unfair and complicated acceptance and type approval procedures.

The failure of this latest round of consultations is bound to increase pressure on the EEC to adopt direct action to correct the trade imbalance with Japan.

In choosing this moment to declare the bankruptcy of the politics of persuasion, the Commission is undoubtedly hoping

to force a last-minute change of heart on the Japanese.

Mr Zenko Suzuki, the Japanese Prime Minister, is due to visit Brussels on June 15 and 16 and will be followed immediately by Mr Kiyoshi Tanaka, the Minister for International Trade and Industry. The Commission, in turn, is obliged to report on its efforts at negotiating with Japan to EEC Foreign Ministers when they meet in Luxembourg on June 22 and 23.

**'Strategy of killing all competition'**

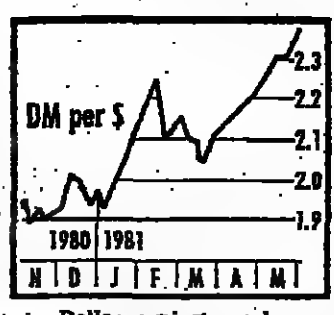
Sir Terence Beckett, director-general of the Confederation of British Industry, warned yesterday that Japan's strategy of concentrating all its energies on one particular sector of the world economy and "destroying the competition in all advanced industrial countries" must be understood and resisted.

He said: "We cannot turn our people into Japanese. The difference in productivity between Europe and Japan is so large we cannot bridge it in the short run."

"The Japanese must be made to understand in their own interests that they will not be able to continue to sell to the West unless they are willing to buy from them."

## Four-year high against Deutsche mark as pound plunges Dollar surges on higher rates

By Frances Williams



Dollar against mark

The dollar surged against all leading currencies on the world's foreign exchange markets yesterday in the wake of higher domestic interest rates in the United States. Cuts in the prime lending rates of more United States banks to 20 per cent failed to dampen speculation that American interest rates are on their way up again.

The pound plunged 2 cents to financial trading in London at \$2.0380, having touched \$2.0340 earlier in the day, its lowest level for more than two years. It was also slightly weaker against Continental currencies and its trade-weighted index, as measured against a basket of currencies, slipped 0.2 to 98.1 (average 1975=100).

The dollar soared to a four-year high against a weaker Deutsche mark, the currency

can interest rates and expectations that further rises may be on the way. The markets are tending to ignore movements in prime rates—the domestic rates which the banks lend to prime customers—which reflect the cost of borrowings by banks over a previous period and are thus lagging indicators.

Instead all eyes are on the Federal Funds rate—the rate at which the banks lend each other reserves—which the Federal Reserve Board can influence through market operations to add or drain liquidity from the system.

The Fed has been pursuing a tight money policy in order to curb money supply growth and, although recent indications are that this growth is slowing down, the Fed has consistently been draining reserves from the

system to keep interest rates high. On Monday Fed Funds rose to 21 per cent in late United States trading. Yesterday the rate was nudging 20 per cent when European markets closed. Eurodollar deposit rates were also higher. Three month Eurodollars closed up 1 percentage point from Monday at 18 1/2 per cent.

High American interest rates are causing substantial problems for the European economies, notably the Germans. They are having to impose very high real rates of interest to protect the value of their currencies, and this is tending to prolong economic recession.

The United States came in for further criticism on this score at yesterday's meeting of the Economic Policy Committee of the OECD.

### Monetary changes in July

By John Whitmore

Plans to end the reserve asset requirement for banks should go ahead by the end of July if the authorities keep to their present timetable. It is clear, however, that there is a considerable amount of preparatory work still to be completed.

The proposed changes, outlined in March, envisage the ending of the present reserve asset requirement and its replacement by a system in which a broader range of banks and licensed deposit-taking institutions will maintain a cash balance at the central bank equivalent to a 1 per cent of their eligible liabilities.

In addition, new prudential liquidity requirements will eventually specify appropriate liquidity norms for different types of banks and banking business.

In conjunction with these changes the Bank has already gone a long way towards changing the nature of its open market operations to deal with the ebb and flow of liquidity in the system.

With the ending of the reserve asset requirement it is important for the Bank to know that there is going to be a sufficiently large bill market operating to make these changes possible.

It therefore proposed to extend the eligibility club to include a number of overseas banks operating in London. Applications from interested banks will be screened over the next few weeks.

Once this is done the eligible bill pool can be extended. It is not considered necessary, however, for new prudential liquidity arrangements to be in place by the time the reserve assets are abolished. Indeed, it is not yet clear whether the new paper being drafted on prudential liquidity will go into circulation before the summer holiday.

There are also no firm decisions yet on if or when MLR is likely to be phased out, or on how the unpublished, flexible interest rate band on deposits will be replaced by their market operations, is to work.

Although many politicians would like to see the end of MLR, leaving the banks to meet the criticism for any interest rate increases, most central banks prefer to keep a published discount rate. An alternative idea might be for the authorities to publish daily a list of the rate at which they had dealt in bills.

Whether the interest rate band will be as broad as that operated in the United States must be doubtful, at least in the first instance. It seems that the more flexible approach is going to call for eventual change in the way in which banks and building societies set their interest rates.

Monetary control changes, page 21

### Biggest fall in reserves since 1978

By Our Economics Staff

Britain's gold and foreign currency reserves dropped by \$1,579m (£763m) in May, the biggest fall recorded since March, 1978, when they plunged by \$3,000m after substantial Bank of England intervention to prop up the pound.

The cause this time was a \$1,700m repayment, £1,075m of this ahead of schedule, of the \$2,500m Eurodollar loan raised by the Labour Government in early 1974 to help finance a huge balance of payments deficit on current account. It sets a new record for the largest single repayment of official debt.

After taking account of this and other public sector transactions there was an underlying inflow into the reserves of \$278m. The underlying change is not always a reliable guide to the Bank of England's intervention in foreign exchange markets because it reflects a variety of official transactions. But the substantial inflow probably reflects some buying of foreign currencies by the Bank to

smooth rises in the pound's value. Although the pound fell nearly 3 1/2 per cent against the dollar since May it was generally stronger against continental currencies such as the Deutsche mark.

The Government's intention to repay the whole of the \$2,500m Eurodollar loan this year was announced during the Commons Budget debate in March by Mr Nigel Lawson, the Financial Secretary to the Treasury. It would otherwise have fallen due between 1981 and 1984.

The \$1,700m repayment in May has been made at the first possible date. The remaining \$800m will be repaid later this year.

The early payment of such a large tranche of the outstanding debt was influenced by the fact that higher interest rates on that sum were due to be imposed from last month.

A second Eurodollar loan for \$1,500m raised in 1977 was repaid ahead of schedule last

year, in addition to nearly \$2,000m in early repayments of foreign loans by public sector bodies since the present Government took office in May, 1979.

By the end of 1981 Britain's total overseas debt will have been reduced to \$14,000m from \$22,000m in May, 1979, the lowest total in relation to foreign currency earnings since the Second World War.

Additional public sector borrowing under the exchange cover scheme in May was \$38m, while repayments totalled \$158m including \$100m by the Electricity Council under a revolving credit facility.

Britain is experiencing the worst combination of events on foreign exchange markets at the moment. It is weak against the dollar which is helping to push up inflation, mainly through higher oil prices which are denominated in dollars. But it is stronger against continental currencies.

Table, page 24

### Crucial meetings on Lloyd's Bill

By Richard Allen, Insurance Correspondent

The ultimate fate of the new self-regulation Bill for Lloyd's could be decided at two extraordinary meetings of the insurance market's members planned for later this month.

Lloyd's ruling committee decided on the meetings yesterday to get the response of its 20,000 members to Monday's parliamentary demand that agents acting for member names should no longer also act for underwriting syndicates.

The meetings, scheduled for June 9 and 17, are required under Lloyd's existing rules; the first to make postal votes valid and the second to put the required changes to the Bill to a full meeting.

A spokesman for the com-

mittee said last night that it was hoped the market would be able to make its official response in time to ensure that the Bill does not miss its place in the parliamentary timetable.

Now, it could require complete redrafting and much needed reforms to market rules and by-laws could be delayed for at least a year.

However, opposition to the latest parliamentary demand seemed to be growing yesterday. For example, Mr Ronnie Taylor, chairman of Willis Faber, the insurance broking group with large Lloyd's interests, declared yesterday: "We would hope that this requirement of wholly independent agencies which combined management services for both members and syndicates."

He said that these were an integral part of the market and that, to insist on their separation, would mean a gratuitous, self-inflicted wound upon the community of Lloyd's and would not serve in the public interest.

### Ivory Coast threat to cocoa deal

By Michael Prest

The future of the International Cocoa Organisation and of a new agreement between it and producing and consuming members was again thrown into doubt yesterday when the Ivory Coast, the world's biggest cocoa producer, said it wanted to withdraw the \$50m it had contributed to the old agreement's buffer stock fund.

While the move had been threatened several months ago, it underlines the determination of the Ivory Coast not to join a new agreement. The Ivory Coast has maintained that the floor price of 110 cents a pound at which the buffer stock manager would be able to intervene under the new agreement is too low.

A meeting has now been called with Dr Kurt Waldheim, the United Nations Secretary General, in Geneva at the end of this month. The terms of the new agreement allow it to come into force without the 25 per cent of world exports contributed by the Ivory Coast, but only if the UN agrees. Should such agreement be forthcoming, the agreement could be incorporated in the UN Common Fund for commodities.

But the new agreement may never come into effect if the Ivory Coast presses for its funds. A statement by the West African producer yesterday made it clear that it would press for repayment. The Ivory Coast maintained that the funds belonged to their country of origin and that the buffer stock manager could transfer them if that country was no longer a party to the agreement.

Officials of the International Cocoa Organisation point out, however, that without an agreement the buffer stock manager has no power to make such a transfer. The organisation failed to establish a new agreement last year after the previous pact had expired in 1979. Since then it has avoided liquidation by postponing a decision.

### Chemical companies face selective strike threat

By Donald Macintyre, Labour Reporter

Selective strikes in key chemicals companies were threatened yesterday after the breakdown of pay talks with 65,000 workers in the industry.

The two main unions representing process workers have rejected a 7.2 per cent offer, which the Chemical Industries Association said was the biggest it could make in the current unfavourable economic climate.

Mr John Miller, national officer of the Transport and General Workers' Union, is expected to "win backing from the union's executive this week for industrial action in support of a claim for substantial increases. He said: "I believe strike action in at least some companies is now a genuine possibility."

The other main union, the General and Municipal Workers', is expected to decide what steps to take later this week.

ICI, which is the main company not covered by the national agreement with the association is due to reply next week to a similar claim submitted on behalf of 50,000 manual workers.

Average earnings for a 40 hour week in the companies covered by the association, which include Fisons and L. J. Roberts, are estimated by the unions to be between £90 and £100 per week, although earnings reach £110 a week if overtime is included.

### The Beauford Group

RESULTS FOR YEAR ENDED 31st DECEMBER 1980	
Profit of U.K. companies before tax	332,581
Trading loss of Beauford Industries Inc.	295,392
Group profit before tax	37,189
Tax credit	247,747
Profit after tax	284,936
Extraordinary items less related tax	(594,076)
Loss for the year	309,140
Interim dividend paid of 0.7p per share	22,750
Reduction in reserves	331,890

From the statement by the Chairman, Mr G. Crawford:

The disappointing results are attributable to the U.S. operation which has now been discontinued. The loss of £309,140 is arrived at after providing for closure costs and terminal losses of £594,076 in respect of that operation.

Excluding the American subsidiary, the Group returned pre-tax profits of £332,581 in 1980 and continues to trade profitably.

In the absence of unforeseen circumstances, the Board anticipates that the Company will pay a dividend in respect of the current year.

THE BEAUFORD GROUP LIMITED  
CLECKHEATON, WEST YORKSHIRE BD19 3HY

### Telecom finance limit to be £380m

By Bill Johnstone and David Felton

The Government has raised British Telecom's external financing limit by £200m to £380m—still £120m short of the £500m which British Telecom believes necessary to maintain its investment programme.

Financial targets in the Government's White Paper on expenditure for 1981-82 assumed that British Telecom would make a real return on net assets of 6 per cent in the present financial year. The figure has been revised to 5 per cent.

A statement was made by Mr Kenneth Baker, Minister of State for Industry and Information Technology, in answer to a parliamentary question from Mr John Osborn, Conservative Member for Sheffield, Hallam.

Reduced external finance for British Telecom to offset some of the effects of the recession meant, according to Mr Baker, that the corporation's external financing limit needed to be raised.

"British Telecom's external financing limit should be raised by £200m to £380m to enable BT to maintain its investment programme," he said.

Mr George Jefferson, chairman of British Telecom, commented: "I must warn that the increased is not as much as we believe to be necessary if Britain is to have the telecommunications services it needs."

He added: "We have already carried out stringent economies, shaving £200m from our programme last year and about £250m from this year's."

Before the Budget, the borrowing needs of the corporation were £360m but then raised to £730m in anticipation of lost revenue due to the Chancellor's measures. That figure was later revised to £500m, which is still £20m more than British Telecom is now allowed to borrow.

Sir George Jefferson, since his appointment last year, has been pressing the Government for a more relaxed approach to the funding of British Telecom.

Yesterday he said: "We still believe more borrowing is necessary from whatever source, if we are not to make damaging cutbacks in our essential improvements to Britain's present and future telecommunications programme."

He added: "Such cutbacks would damage not only our ability to provide the services but also seriously affect the manufacturing capability of our supplying industry."

British Telecom is investigating methods of securing further savings. Coopers & Lybonds, accountants, and McKinseys, management consultants, are assisting the corporation.

Tomorrow, the corporation is due to announce major improvements in telecommunications services for businesses based in London.

### Fuel exchange deals urged to cut costs

By Our Financial Staff

A proposal that government departments and agencies should try to cut fuel costs by exchanging oil contracts on the International Petroleum Exchange has been taken up by a government minister.

Mr Norman Lamont, Parliamentary Undersecretary of State for Energy, speaking at the formal opening of the exchange in London yesterday said: "I have noted the suggestion that Government might use the exchange, and both central and local government buying agencies will need to consider this, together with the nationalised industries." It is possible that the British National Oil Corporation would also be interested in the new market.

Hedging fuel costs in this way is quite common in the United States, and the exchange has been trying to arouse government interest in the idea since it began trading in April. The use of one futures market raises the question of whether Government might become involved in other markets for metals and foodstuffs.

The exchange's case will be strengthened by its evident success in attracting custom. It is now handling about 800 lots a day, representing 3 million tonnes of fuel oil worth about \$850m, much more than had been expected at this stage in its development.

Mr Robin Woodhead, chairman of the exchange, said yesterday that companies would be set up to examine other possible contracts in gasoline, jet and shipping fuel, and other commodities.

Meanwhile, subsidies to keep down fuel prices were firmly ruled out by Mr John Moore, Under Secretary of State for Energy. He said that subsidies would undermine the incentive to reduce energy consumption and to reduce dependence on oil, and he saw nuclear power as the best short-term prospect of producing cheaper electricity, as well as being a long-term energy source.

Mr James Schlesinger, the former United States Energy Secretary and later Defence Secretary, who was also a speaker at the conference said: that the present oil glut was temporary and even with a balanced energy market, high oil prices would have profound economic consequences that were improperly understood.

"With regard to oil, we will continually be on the ragged edge of supply," he said, but he added that a period of respite such as this contingency took over which he blamed on the press for playing down this year what had alarmed it last year.

### Signs of UK recovery now apparent, Commission says

From Our Own Correspondent, Brussels, June 2

The EEC Commission today changed, with a substantial majority of respondents considering stocks to be above normal, the Commission said the peak of the stock cycle seems to have passed and this could lead to a period of respite such as this contingency took over which he blamed on the press for playing down this year what had alarmed it last year.

In a generally bullish report on business opinion throughout Europe, the Commission said its business climate indicator for Britain had risen to 25 per cent above normal, mainly because of improved production expectations, which are now significant, and less pessimistic than the Community average.

The figures are based on estimates made by national governments. Although judgments of stocks of finished products stayed unchanged, with a substantial majority of respondents considering stocks to be above normal, the Commission said the peak of the stock cycle seems to have passed and this could lead to a period of respite such as this contingency took over which he blamed on the press for playing down this year what had alarmed it last year.

While admitting that the balance of evidence suggests that a sustained recovery in industrial production is not yet firmly assured, the Commission said its findings in April strengthened the evidence of earlier months that an end to the recession is imminent.

### Radical design puts Britain ahead Bus transmission gets into gear

By Clifford Webb, Midlands Industrial Correspondent

A former chief engineer at BL has invented an automatic transmission system for buses which is claimed to be so far ahead of competition that it could lead to radical changes in bus design and manufacture.

Its appearance is well-timed. Bus sales are now heavily dominated by the change from manually-operated gearboxes to automatic transmission and almost all new buses are fitted with automatic or semi-automatic gearboxes, most of them bought from West Germany.

Some of the largest passenger transport authorities in the country including London Transport have ordered test units and Hestair Dennis, the Guildford bus manufacturer, is already offering the new automatic transmission system as an optional fitting on its Dominator double-deckers.

It is the work of Mr Peter Windsor-Smith, 59, former chief engineer of Daimler Transport Vehicles, but better-known as the chief designer of Coventry Climax racing engines which won four grand prix championships in the early 1960s.

During his long association with bus manufacturing Mr Windsor-Smith became determined to provide a solution to the inefficiencies of bus transmissions. It is ironic that if BL had not stopped production of Daimler buses it

would probably have been first into the field with his new gearbox.

Simplicity, compactness, light weight and ease of maintenance are its big advantages. It is about 400lb lighter than the German-made Voith which dominates the market at present, and uses only one tenth the number of components.

According to Mr Windsor-Smith, it can be stripped and repaired by the average garage mechanic, while even the best-equipped bus garage would hesitate to "open up" a Voith. By dispensing with a torque converter and using four simple plate clutches reached through inspection plates Mr Windsor-Smith has made the maintenance of the gearbox possible without removing it from the vehicle.

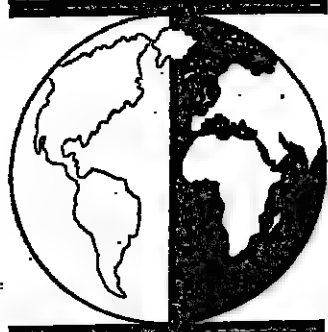
Mr Windsor-Smith and Mr Ray Talley, his partner, who is an experienced production engineer, have formed a new company called Maxwell Bus Transmissions to manufacture and market the gearbox. They have a small well-equipped workshop on an industrial estate at Loughborough.

With the help of a small grant from the Department of Industry six prototypes have been completed and work has just started on 10 pre-production units. It is hoped to produce a further 25 by the end of the year.

### PRICE CHANGES

Rises	
Davis & Nwam 13p to 129p	Mercantile Hse 25p to 790p
De La Rue 30p to 760p	Muirhead 12p to 106p
Delta Int 15p to 245p	Pratt 19p to 951p
Electrocomp 20p to 780p	Reed Int 12p to 25





## Saudis to maintain oil output

Saudi Arabia is to maintain its present high level of oil production, some 10 million barrels a day, despite calls by its partners in the Organisation of Petroleum Exporting Countries (Opec) to reduce it by 10 per cent.

The Saudi Press Agency quotes Mr Mohammad Abdur Yaman, Minister of Information, as saying that Mr Fahd Ben Abdul Aziz, the Crown Prince and Deputy Premier, has told a meeting of the Council of Ministers that his government was keen to maintain its previous production policy to achieve major goals of its development and to secure reserves needed for national economy.

## Italy works harder

Italian working hours lost due to strikes were down 16 per cent in April from March but rose 37 per cent from April 1980. Last month's number was 8.8 million in the month, down from 10.5 million the previous month but up from 6.42 million a year earlier. In the first four months of 1981, labour disputes led to a 36.443 million drop in overall hours worked, compared with a 48.2 million decline in the like year-earlier period.

## Algerian gas

The third of six gas liquefaction trains at the GNL-2 complex at Arzew, in Algeria's western Mediterranean coast, will start up at the end of this month and the other three are scheduled to be completed before the end of next year.

## Italian GDP rises

Italy's seasonally adjusted gross domestic product rose a real 0.3 per cent in the first quarter of 1981 from the previous quarter but fell 1.3 per cent from a year earlier, according to ISCO, the semi-official government statistics institute.

## West German surplus

West Germany had a 3,300m Deutsche mark (£1,600m) surplus in April after a DM135m deficit in March and a DM1,100m surplus in April 1980, the Federal Statistics Office said.

# Call for British business to help rebuild war-damaged Iraq Carrington urges Gulf trade drive

By Michael Frenchman

Lord Carrington, the Foreign Secretary, yesterday appealed for British businessmen to back the rebuilding of war-damaged Iraq. Speaking at the annual luncheon of the Middle East Association in London he commented on the ups and downs of Britain's political relations with Iraq.

"But over the last year or so, the Iraqis and we have shown that we want to set our relations on a more workable basis," said Lord Carrington. He pointed out that the visit last March of the Iraqi Foreign Minister had been an outstanding success and had greatly improved the political climate. Later this month the Iraqi trade minister will be coming to London.

Lord Carrington said: "Already 1981 has all the makings of a bumper year for British exports. If, and when, a durable peace with Iran is achieved there will be further opportunities to assist in re-

building Iraq's war-damaged installations. The time for British companies to establish interest is now."

British exports to Iraq last year totalled £321m against £532m of imports.

Referring to Mrs Thatcher's visit to Saudi Arabia and the Gulf states, Lord Carrington said Britain had to show these countries that it took them seriously politically, and not just commercially. "Mrs Thatcher made it very clear that her main objective was to demonstrate the importance which we attach to our relations in the area. We needed to show them that, if previous Governments might have been misled by our traditionally close and harmonious relations with countries in the area into taking them for granted, the present Government would certainly not make the same mistake."

He underlined this by pointing out that exports to Saudi Arabia were more than

£1,000m a year. He was also looking forward to next week's state visit to Britain by King Khalid.

Lord Carrington then spoke of Algeria, the largest market in the Arab world after Saudi Arabia. He said Britain had made a major effort to develop a closer relationship with Algeria, from where he had just returned.

But Lord Carrington stressed: "Stability in the Middle East is vital to our own economic health and to our security. In Saudi Arabia and the Gulf, where our biggest export markets are to be found, stable conditions have lasted against all the predictions of the pessimists for the 10 years since we ended our special position in 1971."

But, he added, the revolution in Iran, the Soviet invasion of Afghanistan and the Iran-Iraq war had led Britain and her allies to question the safeguards for that stability.

## Call for one Co-op in Scotland

By Derek Harris

A single Co-operative retail society for Scotland, merging the present 50 separate retail organizations, was proposed at the Scottish Co-operative Congress yesterday.

The proposal came from Mr Dennis Landau, chief executive of the Manchester-based Co-operative Wholesale Society (CWS) which, although mainly a wholesaler to Co-operative retail societies, also operates a quarter of Scottish Co-operative retailing.

CWS was prepared to throw its own Scottish retail operations into a new entity, Mr Landau said. The proposal had been received warmly by the other societies.

The new initiative, likely to lead to further discussion among the Scottish societies, is aimed at strengthening the movement's presence in Scotland. It comes less than 10 years after one of the movement's most spectacular failures which at the time threatened the continuation of the movement in Scotland.

CWS gained its Scottish interests when in 1973 it stepped in to save the failed Scottish Co-operative Wholesale Society whose final losses amounted to £34.5m largely through banking problems. It now has a turnover of £120,000 including the Glasgow area, Tayside and the Highlands and Islands.

One of the obstacles to a single Scottish retailing organization is the fear of some of the independent societies of domination by the CWS. The combined turnover of all the Scottish societies is, however, £500m, of which CWS accounts for just under a quarter.

## Special steel imports to UK may be cut

By Baron Phillips

Imports of high value special steel into Britain will be heavily cut from levels of a year ago if a framework agreement is reached by the Council of Ministers in Brussels tomorrow.

A basic agreement was reached over the weekend to reduce special steel imports by 40 per cent from the levels of the second quarter of 1980, and the British delegation will seek a further reduction. In recent years, there has been a build-up of imports from Scandinavia, Austria, Germany and France of tool steels, high speed steels and stainless steels. The United Kingdom steel industry is becoming concerned about the ability of producers to retain a production capacity against intense European competition.

Less than a fortnight ago, the Bank of England announced the setting up of an inquiry into the special steels sector, and reform of the sector is expected to be announced when its findings are completed next month. It is likely to recommend further rationalisation of the industry to secure the future of companies.

The latest guidelines on the export of special steels into the United Kingdom published over the weekend represents a big breakthrough for home-based producers, and it has taken more than five months of delicate negotiation to reach this agreement.

But Article 58 of the Treaty of Paris which governs steel production is due to expire at the end of this month, and unless the Council of Ministers successfully concludes a long-term binding agreement, producers could be back to where they were six months ago.

The problem is that this area of steel production—basically high value but low volume—is almost exclusively undertaken by the smaller independent steel producers. In the United Kingdom special steels account for only 1 per cent of British Steel's output.

If Britain is to maintain its production of special steels, then a renewal of agreed import cuts must take place at the end of this month. Without this agreement then a further 2,000-3,000 jobs in the private sector could be at risk.

## Consumer backing on state bonds

By Robin Young

Private investors should be able to buy bonds in the nationalised industries, the National Consumer Council's representative will argue at today's National Economic Development Council meeting.

In a paper prepared to coincide with the meeting, Mr Michael Shanks, the NCC chairman, suggests that the return to investors on such bonds should depend on how well the industries meet clearly specified consumer performance targets.

For British Rail, for example, such targets might include the total number of passengers and amount of freight carried, the mileage of track maintained, and the proportion of trains arriving on time.

Mr Shanks said yesterday: "I believe offering bonds in the industries could transform them. People would only invest if they believed they would get reasonable dividends."

"Linking these dividends to the achievement of consumer performance standards would be a real incentive to hold down prices while raising quality of goods and services."

As another innovation, Mr Shanks suggests the nationalised industries should be able to lease capital equipment over shorter terms. "This would save the expense of heavy capital investment, and avoid the pitfall of long-term leasing which places the industries virtually in the hands of their sole suppliers, to pay whatever extortionate demands are made."

Mr Shanks said the national industries' record on prices over the last year had been appalling, and gross capital investment had slumped in recent years.

## LETTERS TO THE EDITOR

### Issues at stake in pilotage laws

From Mr J D Godden

Sir, We have now read three recent letters to your newspaper, from Sir David Scott (May 21), Mr Peter Howells (May 26) and Mr Ian Hay (May 29), about the proposed new pilotage bye-laws for the London District. The Government investigative committee of SCOP and ACOP came to the conclusion that the old 1913 Pilotage Act was out of date in present pilotage conditions.

Contrary to Mr Hay's impression, pilots in general have very little lobbying power, there being only 1,400 in the whole of the United Kingdom. It is ludicrous and unproductive to blame pilots for the changes in the law.

Most of the controversy hinges on the so-called "exempt" ships. Under the 1913 Pilotage Act, a foreign ship below a certain tonnage trading into a United Kingdom port can be adjudged exempt from pilotage after 60 days of regular voyages with a pilot. This seems reasonable until one realizes that the 1913 Act stipulates that the ship becomes exempt, not the ship's master. Thus the regular master may

be replaced by a master who has never entered London before but the ship remains exempt. The implication that an inanimate object is capable of safely navigating a dangerous and busy waterway is patently ridiculous.

All parliamentary parties agreed in the Standing Committee that this should be altered under the 1979 Merchant Shipping Act to the master of the ship being granted a pilotage certificate after sufficient experience in a pilotage district. We are an EEC nation and such certificates may only be granted to EEC masters. Sir David Scott, Mr Howells and Mr Hay would at first sight appear to be making similar criticisms of this system but for different reasons. Sir David Scott makes a valid point concerning his sand and gravel industry. Mr Howells had an ample opportunity through the General Council of British Shipping during the formation of the 1979 Act to state his case and apparently did not take it. Mr Hay has been "caught" by registering the greater proportion of his fleet under flags of convenience. Hopefully, UNCTAD is dealing with him in Geneva this week. He cannot run with the hare and hunt with the hounds.

The Pilotage Commission and the Secretary of State must decide the issues under the terms of the 1979 Act. Should they decide that the old 1913 Act must remain in force then much of the work done towards the issuing of pilotage certificates must be abandoned. The result will be that greater numbers of pilots will have to be employed. Our support for the provisions of the 1979 Act, with fewer pilots in the future, completely refutes Mr Hay's accusation of our engineering a highly-paid job for life. Incidentally, in the whole of Europe only the Portuguese pilots are lower paid than those in the United Kingdom.

Yours faithfully,  
J. D. GODDEN,  
Chairman,  
Joint Committee of London Sea Pilots,  
Pilot Station,  
Folkestone,  
Kent.  
May 29.

### Taxing US social security

From Mr Herbert J. West

Sir, With reference to Mr Denis Parker's letter in *The Times* (May 21) on United Kingdom tax on pensions abroad, I would like to draw your attention to what is in my opinion by far the worst feature of the British tax system as applied to those British residents whose pensions are derived from the United States. This is the tax on social security, which is tax free in the United States.

Social security there is actually an annuity, the capital element of which is paid by contributions by both employee and employer and originally the social security payments on retirement were actuarial, based entirely on the capital element plus accrued interest, although this has been modified in recent years because of the impact of inflation.

To have to pay 30 per cent of only the interest portion to the British Government is bad enough but the present system levies in addition a tax of 30 per cent on the capital element, surely an unjustifiable and confiscatory procedure. It is the only example, as far as I am aware, of an annuity on which the capital element is taxed. As a result of these inequities taxes for one returning from the United States to live here could run seven to ten times as high as his taxes in the United States and his cost of living would increase 10 to 20 per cent. As Mr Parker points out, even from Canada, many who would like to return home are unable to do so, and those who committed themselves to live here before the tax changes came into effect in 1974 are heavily penalized.

Yours sincerely,  
HERBERT J. WEST,  
Oakleigh Brightling Road,  
Robertsbridge, East Sussex.  
May 21.

### Charges for cashing cheques

From Mr Mark Dunn

Sir, I suggest to Mr Perry (letters, May 21) and others who use this excellent service, that they pay the 50p charge with 40 coins—in handouts not bags.

I was interested to hear a Barclays spokesman suggest that the new charge was intended to "win" new customers. Perhaps it will become fashionable to exploit a near monopoly position in this way: and point to the resulting revenue as the "fruits" of marketing.

But, seriously, it is sad to see this diminution in banking facilities. The transfer system in Britain is greatly superior to that in every other country where I have banked.

Now it seems we shall be made to pay for it, with the probable result that it will fall into disuse. What a great shame. And how sad it is to note that Barclays are leading the way—backwards.

Yours sincerely,  
MARK DUNN,  
Crescent House,  
152 Walton Street,  
London SW3 2JJ.

### Lord Cromwell's relative

From Mr Terry Philpot

Sir, Philip Robinson is wrong in his *Business Diary* profile (May 26) to attempt to draw an analogy between Lord Cromwell's qualities and those possessed by his distant relative, Sir Stafford Cripps, for one small but important reason. It was not Sir Stafford who was known as the "Iron Chancellor", as Mr Robinson states.

Philip Snowden, an earlier resident of 11 Downing Street, coveted the title because he rather liked comparison between himself and an iron chancellor of a different sort—Bismarck.

Yours faithfully,  
TERRY PHILOPOT,  
11 Silkham Road,  
Oxted,  
Surrey RH8 0NP,  
May 26.



# REED INTERNATIONAL LIMITED

## Preliminary Results for Year Ended 29th March 1981

### Trading Results

	1981		1980	
	HCA	HCA	HCA	HCA
Total Sales	281	(15.1)	296	6.7
Overseas	125	17.5	178	23.2
Packaging	254	20.7	270	35.7
Publishing	413	25.9	389	27.9
Newspapers	220	12.1	186	7.0
Decorative Products	255	(14.1)	280	0.4
Building Products	124	9.6	121	10.3
Central Costs (Net)		(1.6)		(4.5)
	1,672	55.0	1,720	106.7

Trading profit fell from £107m to £55m principally as a result of the economic recession.

Exceptional costs and provisions for rationalisation charged against trading profit for the year totalled £23m (1980: £12m).

At the beginning of the year, industrial action by printers and journalists caused significant disruption in publishing and in parts of the packaging activities. It is estimated that the resulting loss of production and cancellation of issues reduced profit by £12m.

Paper-making in the UK suffered from a fall in demand, high energy costs and the strength of sterling. Rationalisation continued with exceptional costs of £11m charged against trading profit. However, the Canadian and Dutch paper mills performed well.

Packaging both in the UK and Holland produced good results given the severity of the recession.

The publishing businesses continued to expand both in the UK and USA. Newspapers achieved good results.

In Decorative Products, UK and US wallcoverings together with UK textiles lost £24m after charging £11m for rationalisation. Crown Paints, Polycell and the Canadian operations together made a trading profit of £10m.

Building Products maintained a sound position despite fierce competition in ceramic sanitaryware in Holland.

### Investment

Capital expenditure totalled £64m during the year (1980: £55m). During the year the carton printing company J Dring Limited was acquired for £8m and acquisitions in the publishing area totalled £11m. Since the year-end, agreement has been reached, subject to consent under the Fair Trading Act, for the Company to acquire from News International Limited the entire issued share capital of The Berrow's Organisation Limited. The minority interest in Reed Inc (formerly Reed Paper) in Canada was acquired for £14m.

### Review of Assets

Last year the Board announced their intention to re-value properties and review the investment in Goodwill. The result of these adjustments has increased the balance sheet value of Fixed Assets by £85m and reduced Goodwill by £100m. The net deficit of £15m is reported as an Extraordinary Item.

The balance of Goodwill at the date of the review related to the Group's publishing interests.

### Finance

CONSOLIDATED BALANCE SHEET (unaudited)		
Historic Cost		
£ million	29.3.81	31.3.80
Funds Invested		
Shareholders Funds	498	495
Outside Shareholders Interests	5	18
Loan Capital	186	216
	689	729
Funds Employed		
Properties and Plant	345	229
Investments	19	27
Goodwill	62	180
Working Capital	218	212
Net Cash Deposits	45	101
	689	729

Net debt increased during the year from £115m to £141m. The increase was accounted for by expenditure on acquisitions (£17m) and on the purchase of the minority interests in Canada (£14m). Loan capital was reduced from £216m to £186m with £11m of the reduction caused by exchange rate movements.

The debt/equity ratio at the end of the year was 32%. In the absence of the revaluation, the ratio would have been 40% (1980: 34%).

### Taxation

Capital allowances and stock relief on lower UK profits resulted in a tax recovery but £5m of Advance Corporation Tax has been written-off as not recoverable in one year, giving net UK tax of £1m.

Brought forward tax losses in Canada have been largely utilised and overseas taxation has been provided at an average rate of 30% (1980: 19%).

The effective rate of tax on consolidated pre-tax profit is 22% compared with 24% last year.

### Dividends

The Board has decided to recommend a final dividend of 9p per share. Together with the interim of 4p already paid, the proposed final dividend will make a total of 13p for the year the same as paid last year.

Subject to approval at the Annual General Meeting, which will be held on 28 July 1981, the final dividend will be paid on 11 August 1981 to Shareholders on the register on 3 July 1981.

### PRELIMINARY CONSOLIDATED (UNAUDITED) PROFIT STATEMENT

for the 52 weeks to 29 March 1981

	Historic Cost		Current Cost	
	Year Ended 29.3.81	31.3.80	Year Ended 29.3.81	31.3.80
£ million				
SALES	1480.1	1515.7	1480.1	1515.7
United Kingdom and Exports	1139.7	1120.2	1139.7	1120.2
Overseas	340.4	395.5	340.4	395.5
TRADING PROFIT BEFORE EXCEPTIONAL ITEMS	77.6	118.6	36.6	61.6
EXCEPTIONAL ITEMS	(22.6)	(11.9)	(28.3)	(11.9)
SHARE OF PROFITS OF ASSOCIATED COMPANIES	3.1	3.7	2.4	2.9
OPERATING PROFIT/(LOSS)	58.1	110.4	12.7	52.6
United Kingdom	29.3	71.4	(4.8)	23.9
Overseas	28.2	39.0	17.5	28.7
INTEREST	(7.7)	(10.5)	(7.7)	(10.5)
GEARING ADJUSTMENT	—	—	6.6	12.7
PROFIT BEFORE TAXATION	50.4	99.9	11.6	54.8
TAXATION	(11.3)	(23.8)	(11.3)	(23.8)
United Kingdom	(10.3)	(16.4)	(10.3)	(16.4)
Overseas	(1.0)	(7.4)	(1.0)	(7.4)
PROFIT AFTER TAXATION	39.1	76.1	0.3	31.0
OUTSIDE SHAREHOLDERS' INTERESTS	(0.8)	(1.4)	(0.8)	(1.4)
PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS	38.3	74.7	(0.5)	29.6
EXTRAORDINARY ITEMS	(15.4)	—	—	—
PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS AFTER EXTRAORDINARY ITEMS	22.9	74.7	(0.5)	29.6
DIVIDENDS paid and proposed				
Preference	(0.2)	(0.2)	(0.2)	(0.2)
Ordinary 1981 13p per share (1980: 13p)	(14.7)	(14.5)	(14.7)	(14.5)
PROFIT/(LOSS) RETAINED	8.0	60.0	(5.4)	15.0
EARNINGS PER ORDINARY SHARE	34.7p	68.7p	(0.6)p	28.4p

REED INTERNATIONAL LIMITED  
REED HOUSE, 83 PICCADILLY, LONDON W1A 1EJ



BY THE FINANCIAL EDITOR

## Reed ready to bounce back

With the underlying problems in United Kingdom newspaper and the wall-covering operations badly hit by the recession, Reed's profits have virtually halved from £99.9m to £50.4m pretax. Within this, the final quarter, which bore more than half the £23m exceptional closure costs, produced only £8.3m pretax compared with £19.9m in the same period a year ago.

The final quarter, though, is no guide to Reed's prospects. For although there may be little recovery from the depressed demand levels of 1980-81 in recession-hit areas such as packaging, which was 15 per cent lower in volume and over two fifths down in trading profit at £21m, profits should still bounce back sharply. Reed is fairly confident that it has fully provided for closures and restructuring in its two main problem areas and, assuming there is not another £12m worth of strikes in publishing and packaging activities, profits could be back around £85m to give a fully-taxed p/e ratio of about 7 at 258p while the yield on the maintained dividend is 7.2 per cent.

Reed's £23m of exceptional costs were roughly split between United Kingdom paper, which tumbled from £6.7m trading profit to £15.1m of losses, and the decorative products side. The problems here are more acute for after stripping out £11m for rationalization, the domestic textiles and wall-coverings, together with United States wall-coverings, still lost £13m and the divisional loss was only held at £14.1m thanks to £10m of trading profit from paints and other areas. Reed has closed its major United Kingdom wall-coverings factory and made 2,500 redundancies here although it will probably be a while before trading losses are eliminated.

Elsewhere, Reed's stronger areas could turn in similar profits in 1981-82, although newspapers may be pushed to match last year's performance, when profits rose from £7m to £12.1m, given the tabloid war now raging.

The balance sheet remains solid with net borrowings about one third of shareholders' funds and although there is no current cost cover for the dividend, this should be recouped this year. So given the prospects and the likelihood of further recovery in 1982-83, Reed's shares still look cheap against the market.

### Anglo-American Less glitter to come

After last year's high gold price it is hardly surprising that Anglo American should have almost doubled pretax profits to £612m (£297m). The growth of investment income—essentially Anglo's holdings in gold mines—from £321m to £566m tells the story. Against a trading income which totalled £761m, up by more than £300m, there were the costs of exploration, significantly £10m higher at £25.6m, and interest charges which almost doubled to £99.8m. As usual, judicious employment of the South African Government's capital expenditure allowance kept taxation static at £25.6m.

This is all straight forward, and what shareholders want to hear. But the new equity accounting system makes interpretation of attributable results harder. The new line in the accounts is share of retained profit of associated companies, which at £337m is rather more than the 1979 restated equivalent of £220m. The main company to be consolidated is Amco, but the retained profits of associates is in fact put into undistributable reserves. The bottom line is retained profit of £616m against £364m.

A final dividend of 75 cents gives 110 cents for the year, an increase of 57 per cent. Excluding retained earnings, the earnings per share are 234 cents, and including retentions they are 383 cents. In each case the dividend is well covered.

But the market was disappointed, and marked the shares down by 11p to 701p, possibly anticipating less exhilarating results this year.

### Debenhams Exploiting the recession

Debenhams' dismal interim figures when pretax profits were down from £4.7m to £1.3m have been transformed into sparkling final results which show a rise from £15.8m to £25m. The shares had been discounting this kind of news for some time but the results were finally far enough ahead of expectations to push them up a further 8p to 109 where they yield 8.3 per cent on the maintained dividend. With the fully-taxed p/e

ratio now over 12, the question must be whether this is to prove another false dawn for long suffering shareholders.

The key to this performance has been Debenhams' full-blooded pursuit of sales which has pushed up department store volumes by 19 per cent, a pace which is apparently being maintained. Under normal circumstances this kind of intense price competition would have hammered the margins but the company has been able to exploit recessionary pressures on desperately destocking suppliers to cut costs in line with prices.

It has proved—and is still proving—a potent formula but it represents a heavy marketing commitment by the company. It has swung the burden of profit making heavily into the second half and the Christmas period, and it will tend to cramp Debenhams' ability to exploit to the full any retail upturn when it comes.

As ever, therefore, the problem is one of Debenhams' management capability relative to the competition and it will take several years of consistent results to dispel the doubts that are arising from the record. But, for the time being, the shares look as though they may be expecting too much, though the worst of the risks have been reduced by last year's reorganization. Together with a property revaluation throwing up a £71m surplus, this has transformed the balance sheet to cut gearing from 28 per cent to 18 per cent.

De La Rue's banknote and cheque printing operations demonstrated their customary resilience to recession last year, but some of its ancillary divisions were not so fortunate.

In particular, Crosfield Electronics subsidiary specializing in printing technology was doubly hit by recession and the fact that its main competitor, a Siemens offshoot, was able to gain a considerable price advantage as a result of the weakness of the Deutsche Mark.

Crosfield's trading profits slumped £6.1m to £500,000 and were a major factor behind an overall profit drop of £3.5m to £33m. Although the setback was a disappointment, in marking De La Rue's shares 30p higher at 760p the market was clearly prepared to view this outcome as a hiccup rather than any fundamental reversal of the group's strong growth record.

At this level a yield of 3.9 per cent, and a p/e ratio of around 18 on a fully-taxed basis, is a fair indication of the market's faith in De La Rue's long-term attractions.

Whether this view will be vindicated by a sharp recovery in the current year depends to a great extent on whether initial enthusiasm for Crosfield's new range of colour scanners turns into hard orders. If so, overall profits could recover to close to £40m, while any further weakening of sterling would be an added bonus. Currency movements last time are estimated to have cut profits by around £3m last year.

### Tring Hall Securities Fast breeder

Nothing arouses so much suspicion as success. This must irritate Mr Dennis Poff, still only 41, whose issuing house, technically described as a licensed dealer in securities, can claim that in two years it has dealt with more equity issues (by number) than any one else in the City. Tring has left the competition behind in breeding fledglings into first the twilight Rule 163(2) market, and then into the unlisted securities market which only opened last November.

Progress has been as profitable as it has been swift, even though Tring has called on its 650 shareholders (35 institutions hold three quarters of the shares) three times for money. Last year pretax profits went from £36,000 to £516,000 (against not less than £475,000 indicated with November's £2.5m cash call) but the reward for shareholders is their ringside seat in new issue allocations. Anyone who held 1,000 shares in Tring at the time of the reorganization of September 1979 could have paid £2,786 for new issues which on May 1 had a market value of roughly £4,780.

Now Tring is in talks to go public itself. Critics carp that it is in a hurry. At one stage it was launching three new issues in five weeks. Does it fear an imminent market slide? How can a small team (on average nine last year and only 15 now) have infallibly selected companies with stamina as well as the ability to sprint?

Almost by definition Tring's newcomers have little in the way of a track record. Only recession will show how resilient they are, and that will be when shareholders in Tring may weary of their preferential allocations. The market in the stocks is in any case small.

# Irish economy—an uphill struggle for the next government



Mr Charles Haughey (left), the Irish prime minister, and Dr Garret FitzGerald, leader of Fine Gael, the main opposition party: opinion polls consistently show economic problems as the chief issue in the approaching election.

Dublin Despite the trauma of the H-block hunger strike and the heightened tension in Northern Ireland economic issues have remained to the fore in the Irish Republic's general election to be held on June 11. If the opinion polls are anything to go by, the southern electorate is showing a remarkable detachment in the face of the passion being aroused north of the border.

The polls have consistently shown that for an overwhelming majority the economy is the chief issue in the election. In the two latest polls, published in the past week by the *Irish Times* and the *Dublin Mail*, only 13 to 14 per cent said that the North was the main issue (before the H-blocks crisis it was 5 per cent).

It is little wonder the economy looms so large in this election. The Republic has been languishing in recession since early 1980. Unemployment is above 11 per cent and inflation is running at 21 per cent. The central bank predicts that the balance of payments deficit will exceed £11,300m (about £1,000m sterling) this year, equal to 13 per cent of the gross national product.

Despite desperate efforts to pump prime the economy (and to help pave the way for an election victory) the Fianna Fail government of Mr Charles Haughey is enjoying little return in terms of employment or growth. So far the economy is in recession. After a dip in national income last year the central bank is forecasting a rise in real gnp of no more than 11 per cent in 1981.

The main opposition parties—the centre right Fine Gael party and the Labour Party—are running neck and neck with Fianna Fail in the latest polls. They are capitalising on the government's economic record, but are hampered by a lack of credibility in the public eye.

Both parties are running independent campaigns, unlike the case in the last two elections when they presented a combined coalition package. Fine Gael, the dominant partner, insists that it can achieve

a majority government on its own, but virtually nobody believes it.

Having made what he promises will be one keynote speech on Northern Ireland, Dr Garret FitzGerald, Fine Gael's leader, has plunged enthusiastically into the economic issues of this election (his daughter is in economics). He unveiled a 72-page election programme at the outset of the campaign two weeks ago.

In essence it bears many resemblances to the 1979 Tory election platform in the United Kingdom. A cut in the basic rate of income tax from 35 per cent to 25 per cent is the key promise. This is to be financed by a once-off increase in income taxes (estimated by Fine Gael to add 31 per cent to the consumer price index) and public expenditure cuts.

The party expects to make most headway in curbing public spending through a tough line on public sector wage claims. But, certainly, there is a lot of fat available for trimming in

the Republic's booming public sector pay bill. Last year the central government's wage bill rose by 35 per cent.

The Republic's police (Gardai) recently rejected a pay package that would have given the average policeman on the beat £110,000 a year.

The party has also included some highly publicised trimmings in its package, such as a £11,000 tax credit for those living in rented accommodation, a £15,000 payment for stay-at-home wives and an array of inducements for farmers.

But in spite of the bangles, Fine Gael is promising the restoration of fiscal stability in a country which has seen an alarming growth in public borrowing. This year the central government borrowing requirement is expected to exceed 17 per cent of gnp, compared with an already high level of 14.7 per cent in 1980. Fine Gael has promised to eliminate over a four-year period the government's present deficit on current spending of £18,000m.

Fianna Fail is standing on its record, plus a few election sweeteners of its own, such as a £4,000 grant and mortgage subsidy scheme for first-time house buyers and a price subsidy package estimated to cost an annual £15,000m.

But that record poses problems already in his 17-month term of office Mr Haughey has presided over an economic policy U-turn of startling dimensions. Within weeks of his accession to the premiership he warned the Irish in a presidential-style television broadcast, of the need for austerity.

"As a community we are living way beyond our means... We had to borrow in 1979 over £11,000m. That amount is equal to one seventh of our entire national output for the year. That is just far too high a rate and cannot possibly continue," he said.

But in the summer of 1980 Mr Haughey underwent a conversion. Seizing on some favourable economic statistics he declared that the economy was not

in such bad shape after all. The government would take a responsible course of maintaining employment to counter the international recession. This has remained the tenor of government economic pronouncements ever since.

Meanwhile, public spending has been allowed to rise again. In 1981 the Exchequer's borrowing requirement will exceed 1,700mpt, according to a forecast last month by the Dublin-based Economic and Social Research Institute.

A return to the high growth rate of the latter half of the seventies is well beyond the horizon for Ireland. Any hopes of an upturn based on a recovery in the depressed agricultural sector or an improvement in overseas markets for industrial exports must be clouded by the prospect that any Irish government will be faced with the need for corrective economic action. Inevitably, there will be a deflationary bias in Irish fiscal policies for the next two to three years.

Such a prospect is not so daunting as it would be in a large, more self-contained economy such as Britain, according to the arguments of the Republic's increasingly vociferous professional economists. As Ireland is a small, open, economy (external trade accounts for three-quarters of total demand) the effectiveness of pump priming by the government is lost through a worsening balance of payments deficit. Conversely, it is argued, tight curbs on public expenditure should cut the deficit without too hazardous an effect on the growth rate.

In recent weeks the Irish have been struck by a discovery of a big offshore oilfield—a modest-sized one is not enough any more—whose wins the election next week is facing an uphill struggle.

Ken O'Brien  
The author is a staff writer, with the Irish Times.

## Edging towards a new system of monetary control

After last year's monetary explosion, and with the "civil servants' industrial action" sparking recent monetary growth (temporarily?) above target, one might wonder just how much the Government can ultimately achieve in terms of its aspirations to improve the system of monetary control.

What, then, is the programme, contained in the "edge ahead" paper of progress is small-like it will soon be two years since officials were set to work drafting the Green Paper on monetary reform—but at least the Bank of England, which has a prime role in formulating and implementing changes, has come rather more out of its shell recently and adopted a more positive and constructive attitude.

What, then, is the aim of change? Chiefly, it is to produce a system which is both easier for the authorities to monitor and also enables them to act more swiftly and more effectively to influence deviations from the chosen monetary path.

The key to this process is to be a move to a structure that rests on what might be called the base cash in the system—that is, notes and coins in circulation (about 85 per cent of the "money base"), plus the commercial banks' cash balances at the Bank of England.

One school of reformers argues that it is control of this money base that offers the best prospect of effective control over the money supply as a whole.

The argument runs as follows: first, the components of the money base—representing liabilities of the central bank—follows, therefore, that the

authorities can monitor the size of the monetary base from day to day and respond accordingly.

Secondly, by using appropriate open market operations to influence the size of the commercial banks' deposits with the Bank of England, the authorities can exercise a lever over the overall size of the commercial banks' deposit book—and, hence, over the main component of sterling M3 (made up of sterling bank deposits and notes and coins in circulation).

This second argument rests on the assumption that commercial banks work in such a way that the relationship between their total deposits and their cash balances at the central bank will tend to be stable. (If it were not to be, then there are those who would argue for a mandatory ratio to impose the necessary stability.)

This is a debate that is still hotly contested and at this stage there is no government commitment to move quickly, if at all, to formal attempts to control the money base. The only commitment so far is to push the concept of cash back to the centre of the stage in place of a reserve asset approach which has ruled less than a year since the system was last tampered with in the early seventies. More precisely, the present aim is to abolish the reserve asset system before Parliament goes into recess towards the end of July.

From this more drastic developments will flow. First, all banks and licensed deposit-taking institutions above a certain size will have to hold a certain percentage of their deposits at the Bank of England equivalent to a 1 per cent of their eligible liabilities—essentially

their sterling deposits. (A new statistical series to include all those falling into the new net may take several more months to prepare.)

Also, the clearing banks will continue to run non-interest bearing operational deposits at the Bank as part of their clearing function. The authorities will be particularly interested to see how big these prove to be, both from the viewpoint of their own money market operations, but also because they will be counting on obtaining roughly the same amount of interest-free money from the new arrangements overall as they get from the 14 per cent cash ratio at present required of the clearing banks alone.

Secondly, a natural concomitant of the abolition of the reserve asset system will be new prudential liquidity requirements for the banks. The authorities' original proposals in this area have effectively been consigned to the shredder. What we seem likely to finish up with is a liquidity norm for various types of banking operation which will provide a basis for negotiation with individual banks according to their structure.

A new paper on the subject will be circulated shortly, but the new rules seem unlikely to be implemented for some months yet. (In the meantime the banks have been asked not to make major changes to present practices without consultation with the Bank of England.)

The third development will concern the Bank's open market operations. It is through these that the Bank seeks to influence the banking sector in sufficient liquidity, but not too much.

This is achieved—almost exclusively since last November—through daily dealings in "eligible" bills between the Bank and the discount houses, the latter acting as a buffer between the Bank and the commercial banks. (Eligible bills are bills which the Bank will discount.)

Now that the Bank has expressed a preference for meeting the ebbs and flows of money between the private sector and the Exchequer by bill dealing, it is clearly important that the bill market is large enough, adequately financed and efficient enough for these operations to be carried out without big upset.

There are two essential facets here. One is the proposed broadening of eligibility status to bills "accepted" by overseas banks operating in the United Kingdom. The Bank is to consider applications to join the club from overseas banks of sufficient stature and bill market expertise, provided, too, that those banks come from countries which offer equivalent (though not necessarily identical) privileges to those of United Kingdom banks.

The second facet is the position of the clearing banks. Clearing banks have never been particularly large holders or acceptors of bills. Some clearing banks believe that they are now being asked to underwrite a system designed for the convenience of the Bank of England and the discount houses.

They dislike the idea of having to continue to provide what they see as cheap money for the discount houses and would have preferred the Bank to have developed its open market operations in the inter-bank market.

The counter-argument is that the broadening of participation in the eligible bill game will mean that the provision of finance to the discount houses will be spread among a larger

number of players. Moreover, the total £3,000m of funds that the Bank sees as necessary to sustain the eligible bill market is rather less than the bank's present hold as call money with the discount houses to meet their reserve asset requirements.

The really big question in all these changes, however, concerns the implications for interest rate behaviour. The Bank has made it clear that it wants to adopt a more flexible and market-oriented approach to interest rates in future. This will be made possible by the switch in the emphasis of open market operations to bill dealing at variable interest rates, rather than short-term lending at a fixed discount rate (minimum lending rate).

Theoretically, that means that the politicians could press for the phasing out of the politically sensitive MLR if they wished. But whether the Bank really wants to be stripped of visible discount rates as a backstop lending is less certain.

More important, it remains to be seen how the Bank proposes to operate the unpublished interest rate band on which it will base its market dealings. It would represent a radical departure in official United Kingdom thinking were the Bank to permit the volatility in short term interest rates that the Federal Reserve has allowed.

Meanwhile, the authorities continue to press ahead steadily with their programme of improving the funding techniques. Further tranches of index-linked stock could well be on the cards later this summer, provided that the first stock recovery to its original selling price. And once the reserve asset system goes, it may well be that the authorities will try a long-dated (relatively) Treasury Bill, too.

John Whitmore

## Business Diary: Daly's World service • Beer money

Ed Daly likes to be known as America's Freddie Laker, but the comparison does not stand up in anything other than Daly's business life as head and owner of the California airline World Airways.

While Laker advertisements which do not feature the good Sir Freddie's beaming visage are as rare as reliable luggage trolleys at Heathrow, the 58-year-old Daly guards a lifestyle seemingly based on that of his fellow Irish-American John Wayne, with a secrecy worthy of Greta Garbo.

Five years ago he signalled his retirement from the public stage with the words: "I'm tired and I resent being depicted as a heavy drinker."

His move followed spectacular scuffs in Vietnam during the dying days of the war against the strict orders of the United States military. He fled to safety a DC-8 loaded with refugees from a besieged Da Nang.

Thames this week when he visited his London base, a large houseboat once owned by the music hall comedian Fred Karno.

Certainly, the military seems to have forgiven him for Da Nang. About a fifth of World's business consists of military contracts, and it is partly that which has led him to make his second assault on the United Kingdom transatlantic market.

World has just started a daily service into Washington/Baltimore from the profound hope that it will do better than its short-lived Garwick-Boston run of last year. This folded on occupancy rates which averaged between 48 and 50 per cent, but it was, as the company quickly points out, only a temporary licence anyway.

But there is room for another carrier on the Atlantic? There are those who say that World's charter operations are so lucrative that its scheduled services are little more than one of Daly's famed whims. World's European vice-president Tom Hughes disagrees strongly. Transatlantic charters are on their way out, he says, and the airline faced the choice of staying in the field or quitting.

And quitting is a word which Daly does not like.

Having just returned from a visit to Algeria, Lord Carrington, the Foreign Secretary, told members of the Middle East Association in London yesterday that the Algerians had been asking "Where are the British businessmen?" Pointing out

Washington/Baltimore is World's for three years—with-out competition—and is backed by the company's contract to carry mail on the route for the American forces in Germany and the United Kingdom.

Since causing a stir in Vietnam Daly has been attacking conventional airline lore in the United States courts and reaping both the rewards and setbacks of deregulation. The airline tries to pitch its fares at 10 to 15 per cent below those of its rivals. Two weeks ago it reported a profitable quarter for the first time since it had entered the scheduled market in February last year.

But there is room for another carrier on the Atlantic? There are those who say that World's charter operations are so lucrative that its scheduled services are little more than one of Daly's famed whims. World's European vice-president Tom Hughes disagrees strongly. Transatlantic charters are on their way out, he says, and the airline faced the choice of staying in the field or quitting.

And quitting is a word which Daly does not like. Having just returned from a visit to Algeria, Lord Carrington, the Foreign Secretary, told members of the Middle East Association in London yesterday that the Algerians had been asking "Where are the British businessmen?" Pointing out



World Airways' Ed Daly.

that the country represented the second largest market for British goods.

He who whispers down a well Will not earn as many dollars As he who climbs a tree and hollers.

In conclusion he said: "I've done my bit for the tree; now it's your turn."

Next year's Cooperative Congress, the movement's 113th annual parliament, may be the last to be held yearly. This is mainly because the cost of attending congress, usually over four to five days, is catching up with the 180 or so retail societies and their members.

A congress debate yesterday in Edinburgh was told of estimates of up to £200 a head as the bill for keeping delegates at the ready for the prolonged congress discussions and the wheeling and dealing in the filled-out autos.

Some societies send at least half a dozen delegates and this year there are more than 800.

There is also the cost to the Cooperative Union, the movement's coordinating body, of mounting the congress, but at about £40,000—reduced a little this year with the movement conscious of trading problems—this is not seen as the main difficulty.

Congress yesterday considered the possibilities of changing to biennial or even less frequent meetings. Most overseas cooperative movements—Denmark is an exception with an annual get-together—have apparently long since dropped yearly events.

A final decision on the future pattern for congress meetings is expected to be made at next year's get-together in Brighton.

One can only hope that Truman, the brewers, are not introducing a Trojan horse with their plans to import the Spanish beer San Miguel, to cater for Britons, longing to recapture the Torremolinos taste.

Innocuous though the cerveza may appear, it is as distinct a case of alcoholic imperialism as you are likely to find anywhere outside of the walls of Arthur Guinness.

First brewed in the Philippines in 1890, the beer went on to dominate Hongkong and other parts of the Far East and to become the number two in Spain. San Miguel is now brewed in nine sites throughout the world and has funded a huge Philippines empire, embracing gold and silver mining, paper production, dairy foods, glass, copper and timber. Small beer it isn't.

Red faces at the Post Office Engineering Union conference in Blackpool yesterday. A bulletin handed to delegates read: "Our apologies to Mr T. Frame of Bamber Bridge, motor transport branch, whose name appears in the obituary. We are pleased to say he is in fact a delegate to conference."

David Hewson

### FIRST CASTLE ELECTRONICS

THE YEAR UNDER REVIEW HAS BEEN THE MOST EVENTFUL AND IMPORTANT IN THE HISTORY OF OUR COMPANY.

L. J. Connors - Chairman

PROFITS BEFORE TAX INCREASE 51% TO £530,884

Earnings per share improve 31% to 7.56p Net Dividend increased by 45% from 1.235p to 1.792p payable on the enlarged share capital.

"Although turnover and profits were lower in the piano division the electronics division significantly improved its contribution. This was achieved through internal growth and laterally from the acquisition of Fleetwood Limited. The order book for the electronics companies is healthy and further expansion through acquisition is planned."

The Annual General Meeting will take place in Liverpool on June 12th. For further information concerning the Company, a copy of the Report and Accounts can be obtained from:

The Company Secretary,  
First Castle Electronics Ltd.,  
Castle Chambers,  
Castle Street,  
Liverpool, L2 9TB

John Whitmore



## MEPC exceeds expectations in first half

MEPC, the property company, pleasantly surprised the market yesterday.

It reported pre-tax profits up from £10.4m to £12.6m in the six months to March 31, beating most observers' estimates by nearly 10%.

Progress in lettings has clearly been good. The figures were arrived at after an increase in gross rents from £27.6m to £32.3m, and a rise in other income from £3.6m to £4.9m.

Property outgoings and other charges rose from £14.4m to £13.4m while the cost of finance, reflecting a rundown of facilities and two convertible bond issues, was £13.2m against £11.6m. The result was an increase in earnings a share of more than 18 per cent to 4.4p.

The group points to its possession of large cash balances, earmarked for reinvestment in property which benefited from high interest rates.

The group adds that since the end of the financial year building work has finished on two further big United Kingdom schemes. These are The Priory, Colindale, recently fully let, and the West One shop and office development in Oxford

Street, London, where more than half of the shopping area has been leased. Terms have been agreed to let the 45,000 sq ft of offices.

The 200,000 sq ft of office development at Ninety Long Acre and schemes elsewhere are all going well. The Ardium Centre, 130,000 sq ft of offices at St. Stephens Green, Dublin, will be completed at the end of 1981. It is fully let.

MEPC is one of the most important ways of investing in property overseas, especially in Australia and the United States, and any fall in the pound would help the group.

The shares rose 4p to 235p yesterday but this year's high was 252p. Asset value a share is variously estimated at between 290p and 330p so the shares are on a discount of at least 20 per cent. Prudential Assurance placed 7.5m shares in the group last November, most of its holdings at around 22p.

The Prudential placing was the first public sign of a policy decision to concentrate on direct property investment and reduce shareholdings in property companies.

## Vickers launches new attack

A further attack on the Government over compensation terms for nationalized assets has been made by the chairman of Vickers, Sir Peter Matthews.

Writing in the group's latest annual report, Sir Peter said: "The compensation received from the Government in respect of our former shipbuilding interests and our 50 per cent shareholding in British Aircraft Corporation (Holdings) Limited was grossly inadequate."

"The Conservatives, whilst vigorously opposing this when in opposition, have nevertheless readily agreed to amend the legislation when in office."

Vickers, which merged last year with Rolls-Royce Motors, has received compensation but is now appealing to the European Commission of Human Rights at Strasbourg. Meanwhile, £5.7m has been written off in the accounts representing the difference between the compensation and the book value of assets.

Sir Peter said that the merger with Rolls-Royce was the first step in re-establishing its business post-nationalization. The other major event last year was the sale of International Machines Division of Boreo Vickers at a final price of about £19m compared with the original estimate of up to £25m.

Trading started quietly with investors showing no inclination to follow through the better prices. With the FT index drifting down by only 0.3 at the start, by noon it had dropped a further 3.1 to 545.8.

However, by the close the market firmed and the index ended 2.2 down at 547.

Government securities showed a nervous trend, set by the increase in short-term interest rates in the United States despite the prime rate cuts.

Dealers in long reported little buying interest but despite £2 fall in the morning, longs finished only £4 down. Shorts, which met selling early on opening with falls of up to £4, recovered during the day, but ended £4 down.

Ahead of results on Thursday Betcham drifted 3p to 190p, not helped by the rumours of a rights issue despite the denial. On the same tack, Tubes eased 8p to 168p. Otherwise blue chips were rather dull with few buyers around. ICI gave up 4p to 288p. Unilever was a good

market with an 8p rise to 553p and Hawker Siddeley rose 2p to 304p. BAT Industries gained 2p to 355p but Dunlop, after its recent annual meeting, gave up 2p to 84p. Glaxo put on 5p to 88p and Distillers 4p to 213p.

Although profits were less than expected from Reed International the consolation of a maintained dividend helped shares to rise 12p to 258p. But the good set of results from Debenhams sparked an active market in the stores sector. Despite disappointment that the dividend was not increased Debenhams shares rose 8p to 103p. GUS "A" was 3p better at 473p and Boots finished 1p down at 223p after earlier putting on a few pence.

RTZ's stake in Tunnel Holdings, which is the subject of a bid from Thomas W Ward, continues to attract interest and speculation of a counterbid. RTZ, up 10p 533p, was believed to be in the market again yesterday buying more shares despite the company's denial that a bid is on the way. But Tunnel shares dropped back 1p to 440p and Ward 1p to 125p.

News that talks have broken down with a prospective bidder for Polymark pushed the shares sharply by 30p to 95p. The board disclosed that the suitor had been London and Midland Initials, but would not say why the approach had ended.

Of companies reporting, MEPC's 22 per cent interim profits increase saw the shares rise 4p to 235p. Better than expected earnings lifted De La Rue 30p to 760p and satisfactory figures from Dundonian gave a 4p boost to 77p. With results out today McCosqudale gained 7p to 150p and Aron Rubber, also with figures, was up 2p to 102p.

Martin the Newsagents continues to draw strength from recent good profits and the shares added 6p to 246p. A 5p fall to 56p shows disappointment over the profits setback at John Carr (Doncaster) but Tanks celebrated satisfactory results with an 8p rise to 323p. Among plantations Harrison and Crosfield retreated 25p to 887p after results but closed 12p down at 900p.

Speculative demand in a thin market again boosted Eucalyptus Paper, up 20p to 185p, and news of Aberdeen Investments' stake in Old Swan Hotels pushed the shares up 15p to 74p. The continuing talk of a bid pushed F Pratt another 9p to 951p. And the rumours persisting for a counterbid for Charles Hill of Bristol saw the shares up 2p to 125p and drop back 4p by the close.

An old speculative favourite, Minkhead, again stimulated bid talk and the shares rose 14p to 108p. Interest also lifted Davies and Newman 13p to 229p. West-

## Mixed trading amid rights issue fears

Stock markets

land, with results next week, moved up 5p to 149p. Delta Investments also attracted interest and the shares gained 15p to 245p.

News of staff redundancies at Staffordshire Potteries clipped 4p from the shares and further consideration of the trading loss announced by Lesney Products saw the shares fall 3p to 21p. Continued disappointment from its recent figures saw Western Bros lose 5p to 55p. Poor trading news had Edbro 4p easier at 39p.

Although the electrical sector showed firm gains on the day jobbers reported quiet trading conditions and some two-way British Telecom helped the outlook. Farwell Electromechanics 13p rise to 490p is explained by its recent poor price. Plessey put on 5p to 315p, Rascal 3p to 371p and Thern EMI 2p to 402p. GEC was unchanged at 688p. Electrocomps added 20p to 73p.

Performance in the oil sector was dismal with the prospect of a long price freeze. Dealers described fairly good turnover but prices drifted down through the day to close at bottom prices. With first quarter figures from BP due on Thursday the shares tumbled 10p to 376p but other leaders were also on the downward move. Shell gave up 8p to 368p. Ultramar 13p to 443p and Lasso 10p to 572p. Tricentrol

eased 6p to 226p, and Bannah 1p to 150p.

But second-line stocks held steadier. Lower profits from Carless Capel saw the shares drop 1p to 136p. Nearly doubled profits and an increased dividend at Angle American Corporation saw the shares give up 11p to 701p. Otherwise the slightly lower gold price and low business activity kept the heavyweights at lower prices. W. Drieffontein eased £2 to £403, and Anglo American Gold £4 to £41 15/16.

Bank shares were a better market with prices hardening in the sector. Barclays closed 2p better at 400p, Midland 3p up at 313p, Lloyds a 1p at 346p but National Westminster was unchanged at 356p.

With the Allianz offer dominating the insurance pitch most shares met profit-taking. Commercial Union closed a 1p down at 161p but General Accident was still 4p better at 300p. Royal was unchanged at 378p but Phoenix put on another 6p to 252p.

In properties, Law Land gained another 2p to 102p after talk of a bidder in the wings, but otherwise the sector showed mixed prices. Hammerson "A" stayed at 630p, Stock Conversion at 356p but Land Securities went up a 1p at 395p.

In breweries, Allied, whose results are eagerly awaited on Friday, stayed at 73p. Equity turnover for June 1 was £247.435m (bargains 15,658). Active stocks yesterday, according to the Exchange Telegraph, were Reed International, Eagle Star, Debenhams, De La Rue, Amalgamated Estates, Thorn EMI, Mulhead, Eucalyptus, Tanks, BP, Rascal, Shell, Sun Alliance, Carr J and Hepworth Ceramics.

Traditional options: Dealers reported quiet conditions again yesterday. Calls were made in Beechwood Construction at 31p, in Britannia Arrow at 54p and Belhaven at 44p.

Traded options: A total of 888 BP attracted 65, Commercial Union 46, GEC 19, ICI 17, Lasso 35, Land Securities 12, Lomro 41 and Marks & Spencer 61, Rascal 2 and RTZ 4.



## Creditable performance overall by De La Rue

Damage to margins due chiefly to recession and strength of pound.

### Outlook:

The Board expects the strength of the Company's traditional businesses and its geographical spread to stand it in good stead in 1981/82 as in the past year. Provided that trading conditions in the electronic engineering sectors of the business do not deteriorate further, there is room for confidence that the current year will show an increase in profitability, although this will not be apparent in the trading for the first six months.

Sir Arthur Norman, KBE, DFC, Chairman

### SECURITY

#### Thomas De La Rue

Mainstay of the Group during the year and kept its position as the world's leading commercial producer of banknotes and travellers' cheques. Its reputation for swift and impeccable action overcame most hazards of political uncertainties worldwide.

Security/Systems Print business enjoyed a much better year and the General Services side again did well.

Colombian and Brazilian companies performed excellently and both made significant contribution to Group results.

#### De La Rue Systems

Suffered severely due to recession, strength of pound and consequent hesitant market acceptance of need for new high technology. But the Division remains an essential part of the Group's marketing effort aimed at reducing the physical problems of currency management.

#### Security Express

Cash-in-Transit held its own in an increasingly competitive market. Investment in improved vehicles and depots continued in line with policy of maintaining excellence of service.

Courier Express's rate of growth reduced due to destocking by manufacturers and retailers but market coverage extended to take advantage of any economic recovery.

#### CROSFIELD ELECTRONICS

After the dramatic growth in sales and profits of recent years, the results represent a violent reversal. Contrary to well founded expectations as late as last autumn, sales in both money and volume terms declined. In the second half world recession and high interest rates inhibited purchasing decisions to such an extent that orders were either cancelled or put back.

The strength of the pound against the Deutsche-mark, the currency in which CEL's major competitor trades, placed Crosfield at a sudden price disadvantage of up to 22%.

Overhead costs are being trimmed to the level appropriate to a slower rate of growth, but without any diminution in the vital and expensive development effort. Most importantly, new products have been launched which are aimed at restoring the Division's margins as well as its technical superiority.

#### ASSOCIATED COMPANIES

In total, and in spite of the strength of the pound, these made a substantially increased contribution to Group profitability.

For the first time in recent memory there was a net reduction in the UK workforce, largely due to the closure of inefficient manufacturing units.

### Results for the year to 31st March 1981

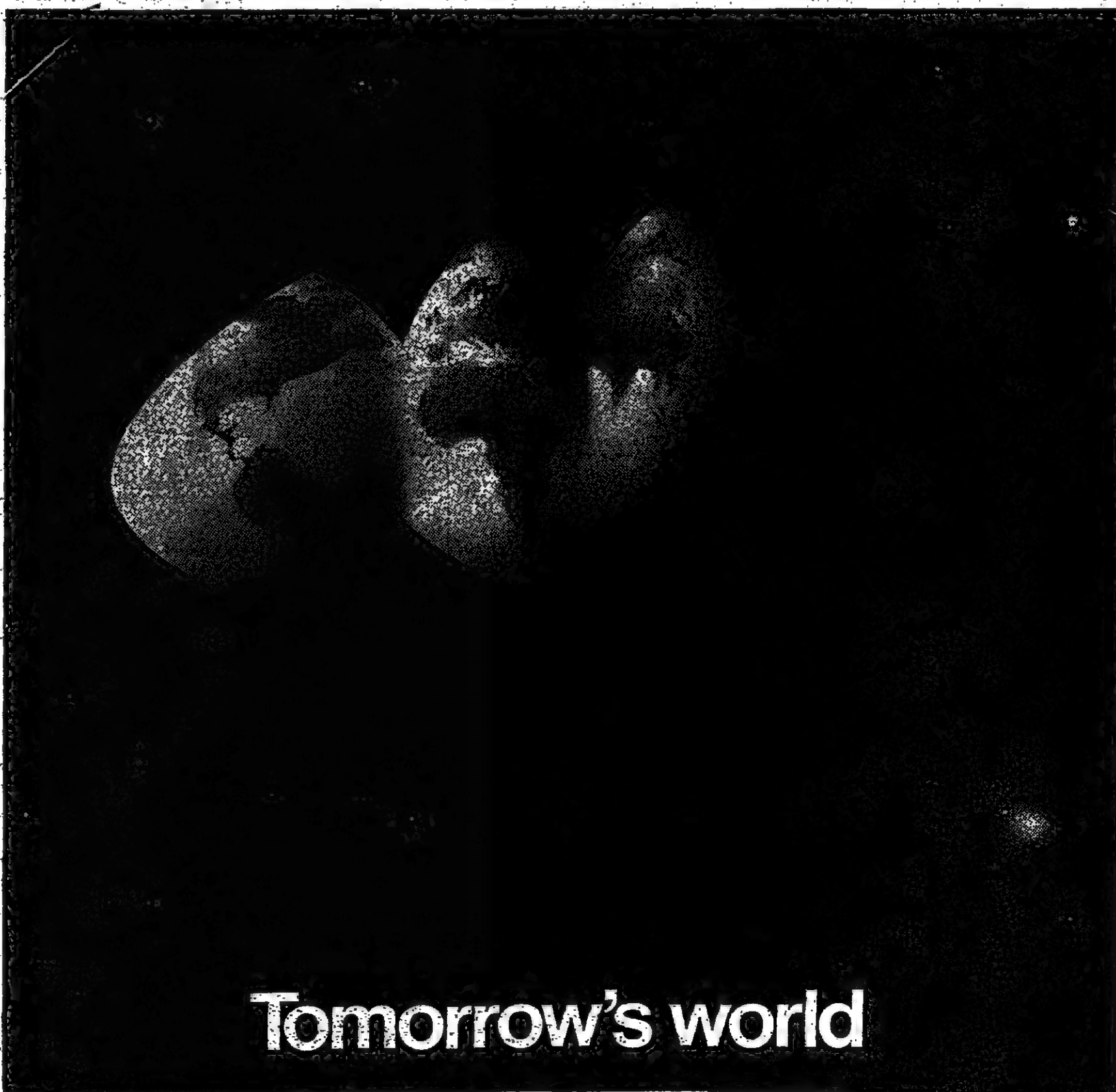
	1981	1980
Sales	£000	£000
U.K.	45,581	39,850
Export	95,148	90,161
Overseas	35,529	28,507
	176,258	158,518
Trading profit before interest	22,039	26,829
Interest receivable less payable	2,747	3,550
Trading profit	24,786	30,379
Share of profits of associated companies	8,218	6,160
Profit before taxation	33,004	36,539
Taxation	2,676	12,963
Profit after taxation	30,328	23,576
Minority interests	838	625
Profit attributable to The De La Rue Company Limited	29,490	22,951
before extraordinary items	(1,663)	2,515
Extraordinary items	27,827	25,466
Dividends	8,007	7,550
Dividend in respect of 1978/79	—	1,599
Retained earnings	19,820	16,317
Earnings per Ordinary share (before extraordinary items)	77.4p	60.3p
Trading profit as a percentage of sales	14.1%	19.2%
Proposed final dividend 14.4p net per share (1980 13.2p net)		

Copies of the Preliminary Report and Chairman's Statement are available from the Secretary, De La Rue House, Burlington Gardens, London W1A 1DL.

### Latest results

Company	Sales	Profits	Div	Pay	Year's
	£m	£m	pence	date	total
Anglo-American (F)	760.6 (457.1)	612.3 (382.5)	59 (57.3)	7/5 (7.70)	110 (70)
Anglo-American (F)	4.88 (6.265)	10.7 (9.6)	10.7 (9.6)	22/7	2.75 (2.50)
Anglo-American (F)	7.5 (4.6)	1.83 (1.01)	11.5 (7.85)	2.25 (2.18)	3.5 (3.0)
Debenhams (F)	530.7 (439.5)	25 (15.8)	15.8 (9.4)	18/9	6.36 (6.36)
De La Rue (F)	176.3 (158.5)	33.0 (36.5)	77.4 (60.3)	31/7	21.0 (19.8)
Gieves Group (F)	39.3 (34.3)	1.89 (0.45)	4.3 (4.33)	—	—
Glaxo (F)	32.8 (35.47)	3.88 (3.47)	41.1 (17.2)	—	—
Harrisons & C (F)	720 (639)	53.4 (63.9)	46.6 (57.3)	20/5 (20.5)	28.0 (27.6)
Inter City (F)	9.5 (10.1)	0.49 (0.17)	—	—	—
MEPC (F)	32.6 (35.4)	12.68 (10.4)	4.4 (3.7)	23/7	—
Parfums (F)	1.48 (1.516)	50.4 (99.5)	34.1 (66.7)	11/8	13.0 (3.0)
Reed Int (F)	37.15 (35.5)	1.5 (2.11)	—	—	—
Scotcor (F)	—	12.27 (4.3)	73.5 (21.6)	10/8	5.5 (5.07)
Tanks (F)	—	0.9 (1.06)	11.33 (17.6)	14/8	2.87 (2.75)
Trafalgar (F)	—	—	—	—	—

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.428. Profits are shown pre-tax and earnings are net. \* = Loss, + = South African currency (Rand).



## Tomorrow's world

Tomorrow's world is being made today, and there's more to it than just electronics and chips.

Tomorrow's world will still need homes, workplaces, hospitals, roads, ports, oil-rigs and airports. The George Wimpey Group is helping to create them today, with over 1000 projects in some 30 countries — projects that will make a real contribution to the quality of people's lives.

Throughout much of the world, the construction industry today is undergoing one of the worst and most prolonged recessions in its history. Nevertheless, Wimpey achieved an operating profit of £69m on turnover of £1,216m in 1980, its Centenary Year. It is expected that the recession will

### Financial Highlights

	1980	1979
Turnover	£1,216m	£1,004m
Profit before tax	£54.9m	£47.3m
Profit after tax	£63.8m	£40.9m
Dividend	£6.5m	£5.8m
Earnings per share	16.9p	16.0p
Dividend per share	2.5p	2.3p

\*Including release of Extraordinary Items (£20.5m)

continue to overshadow trading conditions in 1981, but Wimpey is confident of its long term prospects.

It is structured for stability. It has a wide international business base.

It has a strong foundation in the considerable assets at its disposal and in the skills and expertise of its 38,000 people.

And it is committed to keeping in the forefront of new technologies and new ideas, because that is where tomorrow's world begins.

For a closer look at tomorrow's world today, take a look at the 1980 Annual Report. Write for a copy to the Secretary, George Wimpey Limited, Hammersmith Grove, London W6 7EN.



Engineering  
Construction • Development







# Harrisons & Crosfield

## Summary of Results

for the year ended 31st December 1980  
(Subject to Audit)

	1980 £'000	1979 £'000
GROUP PROFIT BEFORE INTEREST AND TAXATION	59,544	63,861
GROUP PROFIT BEFORE TAXATION	51,016	58,375
GROUP PROFIT AFTER TAXATION (before Exchange & Extraordinary Items)	29,521	31,846
EARNINGS FOR ORDINARY SHAREHOLDERS (before Exchange & Extraordinary Items)	25,483	27,945
ATTRIBUTABLE TO ORDINARY SHAREHOLDERS (after Exchange & Extraordinary Items)	27,530	25,714
EARNINGS PER ORDINARY SHARE	46.6p	57.3p
DIVIDENDS PER ORDINARY SHARE	28p	27.6p

### PLANTATIONS

Operating Profit £29.0m (1979 £29.5m).

Results from the Group Plantation Companies are on the whole somewhat poorer than a year ago owing to lower prices and currency variations.

### CHEMICALS AND INDUSTRIAL

Operating Profit £7.4m (1979 £8.6m).

Destocking by consumers, which caused a serious fall in demand, coupled with the strength of sterling and high energy costs, largely account for the fall in the earnings. The run-down of stocks in the last quarter was of particularly severe proportions. Major construction and commissioning of new plant were undertaken by British Chrome & Chemicals and rapid progress was made by American Chrome & Chemicals in changing the process used for extracting chrome from ore.

### TIMBER AND BUILDING SUPPLIES

Operating Profit £9.3m (1979 £11.1m).

U.K. housing starts, already low in 1979, fell by a further 31% to the lowest post-war level. This, coupled with sizeable disposals by some importers at highly competitive prices to deplete their stocks, affected margins in the latter part of the year, and thus contributed to the lower profits.

### GENERAL TRADING

Operating Profit £5.4m (1979 £6.1m).

Top contributions in this Division were again from our two major Companies in Malaysia.

### GEOGRAPHICAL DIVISION OF OPERATING PROFIT

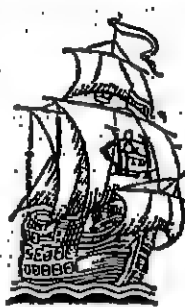
	1980 %	1979 %
United Kingdom	38	23
Asia	70	68
North America	6	4
Elsewhere (mainly Australasia, and Europe)	6	5

### Dividend

The Board recommend a final dividend of 20.5p per share, making with the interim of 7.5p per share, a total dividend for 1980 of 28p per share (40p per share including the related tax credit of 3/7ths). The equivalent total dividend for 1979 was 27.6p per share (39.43p per share including the related tax credit).

### Prospects

1981 is unlikely to see a major expansion in world trade and most Divisions have suffered from the continued recessionary conditions. However, the broadly based strength of the Group and the substantial development programmes which have been undertaken provide firm foundations for renewed growth with a more favourable business climate.



# Isveimer

Endowment fund: Lit. 150 billion - Own financial funds: Lit. 551.1 billion

During 1980 Isveimer has grown both in quantity and in quality.

## Balance sheet as at 31st December 1980

Own financial funds: Lit. 457.8 billion  
(of which Lit. 56.7 to the endowment fund)  
with an increase of about Lit. 50 billion compared with 1979

Deposits by third parties: Lit. 2,503.1 billion  
with an increase of 492.8 billion compared with 1979

Loans and credits: Lit. 2,720.9 billion  
with an increase of Lit. 589.1 billion compared with 1979

Net profit: Lit. 13.2 billion  
with an increase of Lit. 1.1 billion compared with 1979

## Balance sheet as at 29th April 1981

(after the deliberation adopted by the extraordinary general meeting)

Own financial funds: Lit. 551.1 billion  
of which Lit. 150 billion to the endowment fund



The Bank of Southern Italy for the eighties

Istituto per lo Sviluppo Economico dell'Italia Meridionale - Naples-Via De Gasperi, 71-Tel. 78 53 111 sp

## FINANCIAL NEWS

# Carless slumps to £3m but raises dividend

By Catherine Gurn

Oil exploration and solvents group Carless, Capel & Leonard saw pretax profits more than halved to £3.1m in the year to March 31, from £6.5m in 1979-80.

However, attributable profits were 40 per cent higher for 1980-81 thanks to a £1.7m profit on the sale of Carless's stake in Strate Oil, and a £264,000 tax credit, against a tax charge of £2.3m the year before.

That meant the dividend could still be raised, and at 3.93p gross it is 10 per cent higher for the year. But the shares fell 2p to 136p yesterday.

The winter half is always Carless's most profitable period and even with last winter's mild weather, depressed sales and tighter margins, the second half to end-March provided the bulk of the group's profit for the year. First-half profits were only £1.4m, down from £3.8m, reflecting the onslaught of the recession on the solvents side, Carless's largest, single profit centre, and its original business - Carless invested petrol in the 1990s. Group turnover for the



Mr John Leonard, chairman of Carless, Capel & Leonard.

year was £57.6m, down from £63.7m.

This summer is proving weaker than usual for oil products, putting margins under greater pressure, but the group is hoping for an improvement in the autumn.

A £2m extraction plant at the Harwich refinery will be ready by early 1982 and plant efficiency generally has im-

proved. New rail tank cars costing £500,000 have allowed the group to cut its fleet by a third, and a bulk carrier-containership costing around £4m is to be delivered later this year, Mr John Leonard, the chairman, said.

Capital allowances against all these items were responsible for turning the tax charge into a credit last year.

Investment in oil exploration continued with three appraisal wells to be drilled in Hampshire this summer, if planning permission is granted. Exploration expenditure in the United States is to be doubled. Drilling should start in North Sea block 16/21B by the year end and six more onshore production licences have been applied for here, following seismic work.

Carless and its partners also won three premium North Sea blocks in the Seventh Round recently.

The group still has the bulk of the £9m raised by last July's rights issue, and is confident of its ability to meet its commitments.

# MAIBL ahead for year, but outlook uncertain

Midland and International Banks (MAIBL) recorded pretax profits of £11.35m against £10.6m last time for the year to March 31.

MAIBL is the oldest consortium bank and is 45 per cent owned by Midland, 26 per cent by Toronto-Dominion, 19 per cent by Standard Chartered and 10 per cent by Commercial Bank of Australia.

The balance sheet shows that total assets have increased from £1.18m to £1.236m while loans have risen from £523m to £585m, though MAIBL points

out that the latter figure would have been £604m but for exchange movements. Shareholders' funds, including a £15m subordinated loan, rose from £24.8m to £29.5m.

Sir David Barran, the chairman, commenting on the future, says that the immediate economic prospects are still bleak.

He adds: "But there are some signs that 1981 could herald improvement and see a return to an environment more favourable to economic expansion and investment, both domestically and abroad."

In 1980, Horten's net turnover dipped by 10.6 per cent to DM3,330m from DM3,730m.

# Japanese issues held up

A stalemate in negotiations between the Japanese Finance Ministry and a syndicate for floating national bonds has delayed the issue of a large amount of corporate debentures this month, according to the underwriters' association in Tokyo.

A syndicate of 33 Japanese banks and securities firms has demanded that the Ministry improve the terms for 10-year national bonds, or suspend an issue through the syndicate in June.

The syndicate noted that a large amount of 10-year national bonds issued last month was unsold because their yield to subscribers was 7.868 per cent against a previous 8.227 per cent.

# Tooth profit hit by strike

Tooth and Co, the Australian brewery, saw its operating profits fall in the year to March 31 because of an eight-week strike at two of its breweries last June and July. Earlier this week the board said that

Tooth's operating profit before extraordinary items and minorities fell from \$A13.37m to \$A12.41m (65.9m).

But with hotel sales boosting extraordinary profits to \$A6.17m from \$A1.57m, total net income rose to \$A18.5m from \$A14.9m.

Tooth also disclosed a gross income during the year at \$A54.3m compared with \$A51.25m, while earnings a share fell to 17c from 19c.

These details were omitted from preliminary report, which was brought forward after the company received an on-market offer from Adelaide Steamships.

The Tooth directors propose to write to shareholders about the offer as soon as possible.

### Business appointments

Mr Alan Carnell has become commercial director of Rascal Deutz.

Mr Geoffrey A. Booth has been named a director of Mealey Mills.

Mr J. C. Orr is the new finance director of Grand Metropolitan in place of Mr C. J. Smith, who has become managing director.

Mr C. Van Schaik has joined the board of Tomatin Distillers Company.

Mr Tom O'Malley is now managing director designate of PC Finance, the finance house subsidiary of the Co-operative Bank.

Mr Ian Harvey has joined the board of Rugby Design and Engineering Services.

Mr Mark Walker has taken over the newly created post of marketing director of CSA (C & S Amersham).

Mr Andrew P. Vandepoel, vice-president, has been named head

# No dividend as Gieves plunges to £1m loss

Gieves Group made a £1.09m pretax loss in the year to January 31 compared with a profit of £451,000. Turnover rose from £24.5m to £29.3m. There is no final dividend, as forecast at the interim stage, although earlier the board had forecast not less than 2.9p gross.

The group's freehold property at Escher, being sold for £2.5m - £200,000 above book value - and the proceeds will be used to finance the closure of the Escher Bindery, which will cost £1m, and to reduce borrowings.

Herr Heberling noted that the closing of two stores in 1980 contributed to the sales decline.

He said the company's DM157m in capital spending planned for 1981, up from DM75m in 1980, would not be totally realized because of the recent surge in West German interest rates. Because of higher credit costs, he said, 27 per cent, of DM43m, of the originally planned sum would not be invested in 1981. He added that the missing balance would be made up for in 1982 capital expenditure.

Net earnings of the Bank of France increased to 3,051m francs (£268m) last year from 2,534m francs in 1979. The state will receive dividends totalling 2,384m francs against 1,938m, in addition to 3,269m francs in corporate taxes, against 2,594m a year earlier.

The bank's operating profits stood at 6,308m francs compared with 5,135m in 1979.

### Bank of France

Reckitt and Coburn Australia raised its interim dividend from 7c to 7.5c in the six months to April 30. Sales were \$A113.7m (£53.3m) an increase of 17.6 per cent. Pretax profits rose 8.9 per cent to \$A13.7m.

Mr I. R. L. Harper, chairman, indicated that trading in 1981 had begun satisfactorily. This trend had continued through to April with particularly strong performance from the principal segments of the business.

### Reckitt Australia

# Disposal helps Tanks to top £12m

Taxable profits of Tanks Consolidated Investments leaped from £4.8m to £12.2m in 1980 boosted by the sale of Tanaust and the dividend goes up from 17.1p to 20p gross.

The gross dividend from Union Miniere declared in respect of 1980 amounted to £14.3m compared with £16.8m. There was no dividend or debenture interest from the Benguela Railway Company in either year.

The results allow for the realised surplus on the disposal of the net assets of Tanaust at £12.03m based on the cash element of the consideration. In addition, the company has been allocated 11 million fully paid shares in Ashron Mining.

### Inter City Inv omits dividend after loss

There is no dividend from Inter City Investment Group for 1980, compared with 0.83p gross, on a loss of £498,000 against a profit of £167,000 pre-tax.

Mr J. Harris, the chairman, states that all sectors were affected by the recession, particularly in the last quarter and the fall in interest rates was too little and too late to have any material effect. He expects to see a recovery in the second six months.

### Scotros pays more despite profits dips

On sales of £37.1m against £35.5m, pretax profits of Scotros fell from £2.1m to £1.5m in the year to March 31. The dividend was raised from 7.24p gross to 7.9p.

In the United Kingdom, the packaging and engineering divisions suffered a sharp drop in customer demand and profitability, but the effects were partially offset by improved sales and profitability in the food division.

In France, profits were 53 per cent up on last year, but part of this advantage was reduced by the higher value of the pound.

Interest charges more than doubled. While average interest rates were up on the previous year, a large part of the increase was due to the financing of substantial investment.

### KCA buys US oil services group

KCA International has bought Longhorn Mud Co., a Texas-based drilling fluids company for \$550,000 (£267,000). KCA is already represented in the North American drilling fluids market by KCA Minerals. Longhorn is based in Mineral Wells, Texas with a supply warehouse in Athens and supplies drilling fluids to over 20 rigs.

### UK RESERVES

Figures for the United Kingdom's official reserves issued by the Treasury:

End of period	£m	Change in month
1980		
May	28,264	12,061
June	28,172	11,952
July	28,272	11,852
Aug	28,291	11,817
Sept	27,637	11,572
Oct	28,026	11,498
Nov	28,189	11,452
Dec	27,478	11,487
1981		
Jan	28,354	11,953
Feb	28,434	12,508
Mar	28,212	11,817
Apr	28,066	11,904
May	28,487	12,783

Reserves rounded each year end-March.

# Bank Base Rates

ABN Bank	12%
Barclays	12%
BCCI	12%
Consolidated Credits	12%
C. Hoare & Co	12%
Eloyds Bank	12%
Midland Bank	12%
Nat Westminster	12%
TSB	12%
Williams & Glyn's	12%

\* 7 day deposit on sums of £20,000 9.5% over £50,000 10.5%

### THE NEW THROGMORTON TRUST LTD.

Capital Loan Stock Valuation June 2nd

The Net Asset Value per £1 of Capital Loan Stock is 260.85p calculated on Formula 11.

Securities valued at middle market prices.

M. J. H. Nightingale & Co. Limited  
27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

## The Over-the-Counter Market

1980/81	High	Low	Company	Price	Ch'ge	Gross	Yld	P/E	Fully
76	39	Airsprung Group	71	-1	4.7	6.6	11.3	15.6	
52	21	Armitage & Rhodes	49	-	1.4	2.5	20.2	46.7	
200	924	Bardon Hill	200	-	9.7	4.9	7.5	12.8	
104	88	Deborah Services	104	-	5.5	5.3	5.1	9.8	
126	88	Frank Horsell	104	-	6.4	6.2	3.3	6.0	
110	39	Frederick Parker	50	+1	1.7	2.8	26.1	-	
110	64	George Blair	64	-	3.1	4.8	-	-	
110	59	Jackson Group	106	+1	6.9	6.5	4.0	8.2	
129	103	James Burrough	129	-	7.9	6.1	10.6	10.6	
334	244	Robert Jenkins	318	-	31.3	9.8	-	4.0	
55	50	Scruttons "A"	55	-	5.3	9.6	4.0	4.0	
224	202	Torday Limited	202	-1	15.1	7.5	3.4	7.5	
73	8	Twinklark Ltd	15	+1	-	-	-	-	
90	68	Twinklark 15% UL5	77	+2	15.0	19.5	-	-	
56	35	Uallack Holdings	43	-	3.0	7.0	6.6	10.5	
103	81	Walter Alexander	101	-	5.7	5.6	5.6	8.9	
263	181	W. S. Yates	255	-	13.1	5.1	4.8	9.8	

# Dundonian may sell its funeral interests

By Philip Robinson

Dundonian, the group whose shareholders' parks include a free crematorium, is talking seriously with potential buyers about selling off its crematorium, funeral parlours and graveyards.

That part of Dundonian's activities, which comes under its financial services arm, contributed £230,000 to group pretax profits last year. But Mr Max Lewinsohn, chairman, says that the growth potential would just not keep up with the expectations he has for property, mining and personal finance.

Group profits before tax for the 12 months to the end of last March rose by 80 per cent to £1.83m on turnover up from £4.6m to £7.6m. Shareholders

are getting a free scrip issue of one new share for every four now held, and the dividend is lifted from a gross 4.28p to 5p with a 3.21p final. In the stock market the shares climbed 5p to 77p.

Of the £1.8m profits, Algey Developments, bought 18 months ago from Johnson & Firth Brown for £5m, contributed £1.25m, against the £500,000 it added during a six-month period last year.

Mr Lewinsohn said that the housing market had been flat, but in the past three months had picked up markedly. Property now contributes around 60 per cent of profits, oil and natural resource mining around 15 per cent and financial services 25 per cent.







**§ Forward bargains are permitted on two previous days**

When pro  
'relate to

183	88	Nesco Inv	178	..	10.0	5.6	..
35	28 $\frac{1}{2}$	Sunderland Wtr	ES3 $\frac{1}{2}$	..	500	14.9	..

• Ex dividend. a Ek all. b Forecast dividend. c Corrected price. e Interim payment passed. f Price at suspension. g Dividend and yield exclude a special payment. h Bid for company. k Pre-merger figures. l Forecast earnings. p Ex capital distribution. r Ex rights. s Ex scrip or share split. t Tax free. y Price adjusted for late dealings. .. No



**WANTED**

**W. J. RICHARDS**

NO PRO  
er new plan  
19 per mon  
on to purch  
771 Inc. V  
ntre. 3.00  
for sale a  
1. Offer a  
des service.  
St., N.W.  
illery Place.  
01-854 43

L. Steinwa  
 price £2,500  
 77 (day).  
 TEN BRU  
 and restor  
 r organs,  
 R GRAND  
 1935.  
 (Harrods),  
 £3,000 o.  
 775148 o.  
 711. 711. 611  
 r upright.  
 11oned. E.  
 Tel. 014 08  
 M. LANE &  
 11oned. Qua  
 rities. - 324  
 h Croydun.  
 N UPRIGH

1598.  
ID WORKSH  
ers of fine  
Free credit  
Rd, NW3  
MUSIC.—C  
large sele  
mall at Cha  
-491 2777  
m at M  
63366  
22. Grand  
will ac  
NE 902 634  
h century E  
ur Bristol (1

**ASCO**  
**DIES'**  
For sale. See  
near Witco  
Tel. 01-250

enish gold  
 y, deep  
 elegant in  
 all purc  
 hablis we  
 H SALMON  
 or full list  
 Open Monday  
 -6. Sunday  
 ursday until  
 WAPPING  
 PING HIGH  
 : 01-488 3  
 TA CARP  
 's largest  
 of plain  
 et pile  
 at £1.75  
 ees huge r  
 e carpeting  
 prices.  
 ew Kings  
 01-731 23  
 ew bran

ON \$1. Duration of very ex-  
l court pe-  
luxury treat-  
champagne  
Open bar  
From \$13  
clusive. For  
ormation, P  
/728 366/

or loose c  
brought i  
Anderson &  
made ann  
districts su  
v. 01-304  
Potter's Bu  
LBS.—We  
s. Tickets  
theatre, a  
Garden, W  
ed.—01-83  
FURNIT  
house, Co  
nchairs,  
urn wardro  
2186.  
PAVING.  
e. Crazy F  
nife Sets,  
0623 83372

FREEZERS, e  
aper ? Phon  
7/R468,  
CARPETS  
at trade  
97-99 Clerk  
405 0453.  
NITIVE Sofa  
uniquely  
erfolk Furn  
W.G. 01-73

...les, van  
... Floors,  
...s: Filins  
...SO Fulham  
70-4.  
**SUMMER**  
... women al  
...d, 2 St  
...S LOC F  
... Seasonal S  
...ONEMATE,  
...chley R.,  
...s Pop  
...a business.  
**ORIGINAL**  
... Shepherd,  
...57429.  
**OVER CAR**  
...res £6.50  
...y, 168 L  
...17, 01-673  
...CKNEY.—  
...for sale—  
...061-834  
...DODGE S  
...bull 1900.  
...home/business  
...01-4F1/487  
**RESTO**  
...furniture and deli  
...treat car  
...S. Original  
...condition th  
...ice of date  
...£5 each.  
...n. Tickets  
...Travel, D  
...Summer  
...women at  
...d, 2 St E  
...d, SW1, O  
**PHONES.**

superco  
-juvenir Sea  
er £50. Eps  
USA.  
ezers. Bar  
i. & C. Ol  
COY BOX  
es 01-859 4  
RING, flze  
nds set in  
near offe  
The Times.  
Guardian  
with Penny  
300.—0492  
Model D.  
a. £3500

numberland  
Northumb  
44 office  
RIAN Rock  
round 260  
ring even  
DEY 12g  
ing, 30in.  
London over  
M. £5,500.  
0659 pves.  
NICKLEBY,  
s for Sale  
in sell or  
both for a  
7000 ex 2

YS AND  
120 rin. In  
109 0-66.  
DES. Rudan  
um 179 rin  
amollons, O  
8, ABTA.  
GREECE.  
Gros from  
Night. First  
Holiday VII  
(rs.) ABTA  
Eps.—Modern  
aps 4/6  
221 237.

VIENNA - 8  
 sleeping. Local  
 sleeps 5/6.  
 01-486 S  
 mail fam  
 France to sl  
 1-3 wks. ha  
 Aug. Sea  
 pool even  
 01-454  
 (Canc  
 rooms, 4  
 Pool and  
 and Augu  
 including  
 Transfers.  
 Ring  
 motions W  
 ued on pa

VIENNA - 8  
 sleeping. Local  
 sleeps 5/6.  
 01-486 S  
 mail fam  
 France to sl  
 1-3 wks. ha  
 Aug. Sea  
 pool even  
 01-454  
 (Canc  
 rooms, 4  
 Pool and  
 and Augu  
 including  
 Transfers.  
 Ring  
 motions W  
 ued on pa

VIENNA - 8  
 sleeping. Local  
 sleeps 5/6.  
 01-486 S  
 mail fam  
 France to sl  
 1-3 wks. ha  
 Aug. Sea  
 pool even  
 01-454  
 (Canc  
 rooms, 4  
 Pool and  
 and Augu  
 including  
 Transfers.  
 Ring  
 motions W  
 ued on pa

VIENNA - 8  
 sleeping. Local  
 sleeps 5/6.  
 01-486 S  
 mail fam  
 France to sl  
 1-3 wks. ha  
 Aug. Sea  
 pool even  
 01-454  
 (Canc  
 rooms, 4  
 Pool and  
 and Augu  
 including  
 Transfers.  
 Ring  
 motions W  
 ued on pa

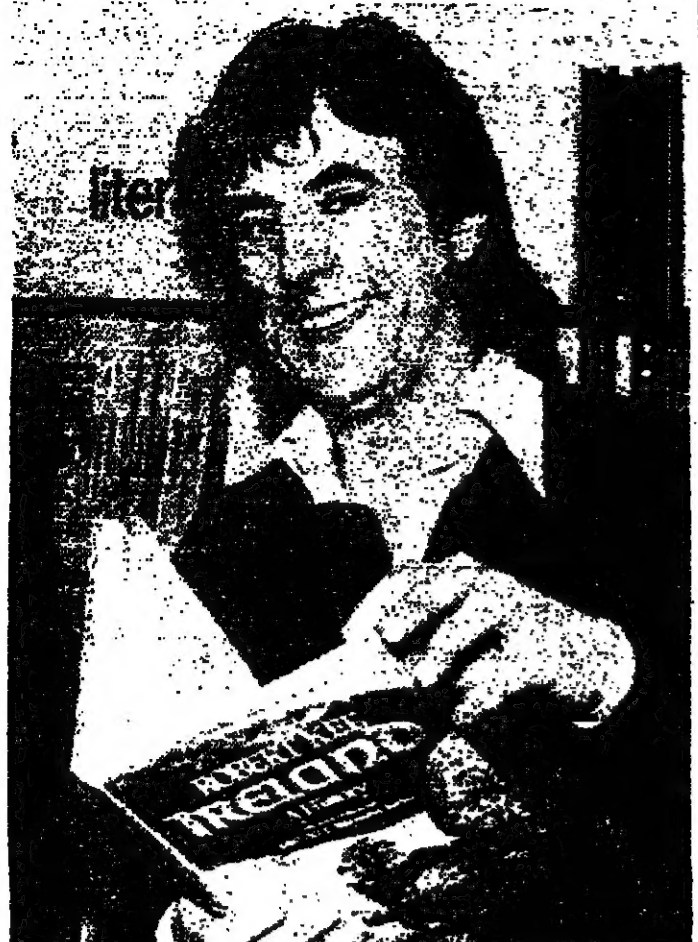
VIENNA - 8  
 sleeping. Local  
 sleeps 5/6.  
 01-486 S  
 mail fam  
 France to sl  
 1-3 wks. ha  
 Aug. Sea  
 pool even  
 01-454  
 (Canc  
 rooms, 4  
 Pool and  
 and Augu  
 including  
 Transfers.  
 Ring  
 motions W  
 ued on pa







PERSONAL CHOICE



Terry Jones who tonight takes over the presenter's job from Robert Kee in Paperbacks (BBC 1, 11.00)

WESTMINSTER MAN (TV, 9.00), a pot-pourri of categorized thoughts from back-bench MPs of yesterday and today, offers only crumbs of comfort to back-benchers of tomorrow. There's no use of nobility in the calling, no feeling that what they do in the House can sway the destiny of the nation: a complete absence of idealism. "Like an old folk's home, with people sitting around hoping for something to happen... Question time is a monumental sham, good only for the tourist trade... most back-benchers are wasting their time... sick of talking tripe during election time... a family life strained to breaking point... a lion in the constituency, a mouse in the House... average professional life of only 11 years... so many MPs are also lawyers that the most important party, isn't Tory or Labour but the Lawyers' Self-Preservation Society..." And there's the depressing reminder that the MP who twice lost his seat is now a labourer in a steel mill. This anatomy of the nation's political lemmings has been brilliantly edited by Robert Oliver.

SO YOU THINK YOU CAN DRIVE? (BBC 1, 8.10) comes hard on the heels of the second showing of that horrific Man Alive programme on road deaths, and the two are inextricably linked. But what tonight's film does is to define the ways in which the road user, pedestrian and motorist alike, can stay Man Alive and not end up Man Killed. It is surely all to the good that the format it has chosen to ram home its safety-first lessons is the popular quiz in which the viewers, can pit what wits we have been, careful enough to retain against the wits of the competing teams of celebrities.

This is Derby Day, and you need to be a dedicated sporting type to have no doubts that three-and-a-quarter hours on TV (starting at 1.30) and two hours on radio (Radio 2, 2.00 pm) is not too much time to devote to some horses racing across a stretch of only one-and-a-half miles. With its team of experts, ITV is taking it all very seriously. But the fact that Laraine Chase, the cockney connoisseur, will interview the personalities on Epsom Downs leads us to infer that the radio coverage will be far more pragmatic in approach.

Two worthwhile repeats on Radio 4 today: Peter Terson's play RATTLING THE RAILINGS, (3.02) about an impossible old widower (Timothy Bateson), which stars Elizabeth Proud, adapter of the current Sunday night serial Cold Comfort Farm, and portrayer of the book's author Stella Gibbons; and Trevor Hill's pre-Epsom Derby portrait of a Victorian in a PITTY SUCCESS HAS COME SO LATE IN LIFE (7.45).

WHAT THE SYMBOLS MEAN: †STEREO; \*BLACK AND WHITE; (P) REPEAT.

# Broadcasting Guide

Edited by Peter Davalle

## TELEVISION

### BBC 1

6.40 Open University: Polluted Water, 7.05 Maths to Minerals, 7.30 The National Grid, 10.00 For Schools: Colleges: Merry-go-Round, 10.12 Words and Pictures, 10.30 Brazil, 10.50 Mind Stretchers (houses), 11.02 Everyday Maths, 11.25 You and Me: What Can You Hear? (2), Closedown at 11.37, 12.05 For Schools, Colleges: Kontakte, German lesson, number 24, Closedown at 12.30, 1.15 News and weather forecast, 1.30 Bagpuss, Closedown at 1.45, 2.05 For Schools, Colleges: North American Indians (totem poles), 2.18 Twentieth-Century History: Mr Kennedy and Mr Churchill, 2.25 Descent, 2.30 Spanish lesson, Closedown at 3.00, 3.55 Play School: Peter Wiltshire's story Jumping Flea, 4.20 Hong Kong Phooey: Cartoon, 4.30 The Enchanted Castle: Part five of the E. Nesbit story, Jimmy and Gerald are trapped in the passage behind the

Temple of Flora — thanks to the magic ring (7), 5.00 John Craven's Newsworld, 5.05 Wildlife: Two reports on one of the Japanese seaweed that is invading the Isle of Wight, the second on the puffins on the island of Stinkholm, 5.35 Paddington: Paddington and the Old Master, 5.40 News with Peter Woods, 5.55 Regional news magazine, 6.20 Nationwide, Barry Rose, master of the cathedral choir at St Paul's, talks about what, musically, is in store for us at the Royal Wedding in July, 6.45 The Wonderful World of Disney: Part one of Child of Glass, about a little girl who haunts an old mansion, 7.30 Showaddywaddy: The rock and roll group's guest is K.D. Doo (repeat from BBC 2), 8.10 So You Think You Can Drive? Road safety quiz. Match your answers against those of Angela Ripston, Mollie Sugden, Sally Thomsett, John Craven, David Tennant, and Nino, 8.40 Nino, also hints on driving in Europe, 9.00 News with Peter Woods, 9.25 Sportsnight: England takes

on the US, Ethiopia and Belgium in an athletics match at Crystal Palace. Among the runners: Steve Ovett, Miruts Yifter and Craig Virgin. Also, highlights from last night's Royal Albert Hall fights involving Dave "Boy" Green and Gordon Ferris, 10.30 Alan Price: Concert from the Royal Exchange, Manchester, with George Farnham (from BBC 2), 11.00 Paperbacks: Terry Jones is the new presenter of this paperback series. The panel includes Ffion Morgan, J. T. Carr and Paul Thorne, who talks about Ford Madox Ford's novel The Good Soldier, recently adapted as a Granada TV play, 11.35 News, Closedown at 11.40.

### BBC 2

6.40 Open University: Materials Under Stress, 7.05 The Passover Among Yemeni Jews, 7.30 Perfect Solids, 10.20 Gharbar: Advice and information for Asian women, 10.30 For Schools: Same as BBC 1, 3.55 (Jumping Flea), Closedown at 11.25, 4.50 Open University: Conflict in the Family, 5.15 Governing Schools: The Community, 5.40 Language Development, 6.05 The Split Screen, 6.30 Appearance and Reality, 6.55 Take the Mike: BBC Community Programme Unit studio discussion in which 100 people living in Liverpool express their viewpoints about the rationalization of maternity and paediatric services in the

city which have brought by increases in waiting lists for all sorts of treatment. The presenter is Bob Axworthy, 7.25 News with subtitles for the hard of hearing, 7.35 Did You See...? The week's TV programmes are discussed, Lord Lichfield comments on the Lord Snowdon photography films, and Susan Howatch and Len Deighton will pass judgement on the book programme, and Private Schulz, the comedy serial by Jack Pulman. The presenter is Ludovic Kennedy, 8.40 The Myth of the Mound Builders: The research that has helped to explain the astonishing man-made earthworks built by early Indians in Ohio, Illinois and the Mississippi valley, 9.00 Rhoda: Ida has tried to hide the fact but it finally gets out —

Rhoda's and Brenda's father has left their mother, 9.25 Private Schulz: Part 5 of Jack Pulman's comedy about a German, plans to undermine Britain's economy with forged fivers. Tonight — a change of plan: Neuhem (Ian Richardson) is told to send the forged notes to the Austrian alps to help the German resistance, 10.15 Personal Pleasures, with Sir Hugh Casson: A visit to those areas of the Lake District with Ruskin associations — the museum in Conistone and his home Brantwood, 10.45 Newsnight: Bulletins and comment, 11.30 The Pursuit of Power: Roy Hattersley is interviewed by Robert McKenzie (first screened last Thursday night), Closedown at 12.15.

### Thames

9.30 For Schools: Changing the Guard at Buckingham Palace, 9.50 Acres, 10.30 The Electric Phoenix, 11.05 Visit to Ironbridge Gorge Museum, 11.17 Life in the Future, 11.34 Peruvian peasants' struggles, 12.00 The Munchie Busch: Walking, talking, vegetables, 12.10 pm Rainbow: the theme is flight, 12.30 About Britain: Dartmoor and Monuments, includes Crocker Tor and Cowick Valley, 1.00 News, 1.20 Thames area news, 1.30 Derby Day 1981: The big race isn't done! take place until 3.35, but before that, there is much "atmosphere" coverage from Epsom Downs, and we also show the following races: the 2.00, the 2.35 and the 4.20. The Derby Stakes commentator will be Graham Good.

Established and budding artists put on a show. First in a new series, 8.30 Have I Got You... Where You Want Me? New series. Comedy about a couple (Jan Lavender, Kim Braden) who have been going steady for 10 years, 9.00 Westminster Map: An investigation into what motivates men and women to become MPs (See Personal Choice), 10.00 News, And Thames area headlines, 10.30 Film: Villa Rides (1968) An American pilot (Robert Mitchum) joins forces with the Mexican hero Pancho Villa (Yul Brynner). Their adversary is the ruthless General Huerta (Herbert Ross). With Charles Bronson very spectacular, 12.45 Close: Jane Lapotina from Gardieff's Bringing Up Children.

10.15 Personal Pleasures, with Sir Hugh Casson: A visit to those areas of the Lake District with Ruskin associations — the museum in Conistone and his home Brantwood, 10.45 Newsnight: Bulletins and comment, 11.30 The Pursuit of Power: Roy Hattersley is interviewed by Robert McKenzie (first screened last Thursday night), Closedown at 12.15.

## Radio

### Radio 4

6.00 am News Briefing, 6.10 Farming Today, 6.30 Today, 9.00 News, 9.05 Week's Composer Chausson, 10.00 Schütz: Choir of London recital: Schütz, Nijel, Osborne, Strauss, 11.30 BBC Symphony Orchestra concert: Mozart, Weber, Mendelssohn, 1.00 pm Concert: Hall Cello and piano recital: Bach, Bloch, Prokofiev, 2.00 Music Weekly, 2.30 NCOs Orchestra Concert by the Orchestra of the National Centre for Orchestral Studies: Brahms, Walton, Ravel, 4.05 Piano Music recital: Patrick Piggott, Schumann, Cyril Scott, 4.55 News, 5.00 Mainly for Pleasure with Natalie Wheen, 7.00 Mozart Recital, 7.20 Scientifically Speaking: John Maddox talks to Dr Graham Smith, Director of the Royal Greenwich Observatory in Sussex, 8.00 College Concerts (1980/81), 8.30 Concert part 1, 8.50 Concert part 2, 9.10 College Concert part 2, 9.40 Portman and Zuckerman Violin Duo recital: Leclair, Bartok, 10.00 The Pope's Divisions: The Roman Catholic Church Today, 10.25 David Mason piano recital: Beethoven, Judith Bingham, Chopin, 11.00 News, 11.05-11.15 Borodin on records, 11.30 News, 11.35 am-6.55 Open University: The Role of Interference, Science and Religion, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News, 11.20 News, 11.30 News, 11.40 News, 11.50 News, 12.00 News, 12.10 News, 12.20 News, 12.30 News, 12.40 News, 12.50 News, 1.00 News, 1.10 News, 1.20 News, 1.30 News, 1.40 News, 1.50 News, 2.00 News, 2.10 News, 2.20 News, 2.30 News, 2.40 News, 2.50 News, 3.00 News, 3.10 News, 3.20 News, 3.30 News, 3.40 News, 3.50 News, 4.00 News, 4.10 News, 4.20 News, 4.30 News, 4.40 News, 4.50 News, 5.00 News, 5.10 News, 5.20 News, 5.30 News, 5.40 News, 5.50 News, 6.00 News, 6.10 News, 6.20 News, 6.30 News, 6.40 News, 6.50 News, 7.00 News, 7.10 News, 7.20 News, 7.30 News, 7.40 News, 7.50 News, 8.00 News, 8.10 News, 8.20 News, 8.30 News, 8.40 News, 8.50 News, 9.00 News, 9.10 News, 9.20 News, 9.30 News, 9.40 News, 9.50 News, 10.00 News, 10.10 News, 10.20 News, 10.30 News, 10.40 News, 10.50 News, 11.00 News, 11.10 News



From Charles Hargrove, Paris, June 2

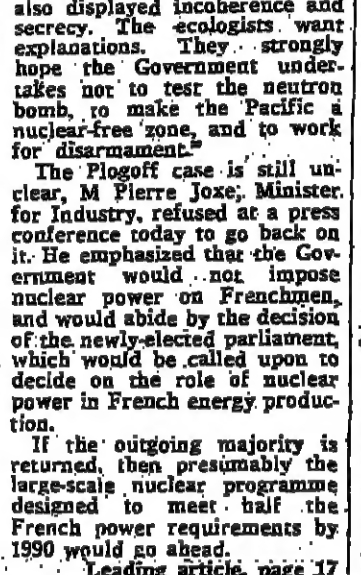
The decision taken seven years ago to switch to underground testing was unpopular with both the scientists and the

he said the announcement without any explanation "gives the impression that the Government has not only given way to the pressure of the Army, but also displayed incoherence and secrecy. The ecologists want explanations. They strongly hope the Government undertakes not to test the neutron bomb, to make the Pacific a nuclear-free zone, and to work for disarmament."

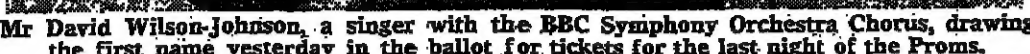
The Plogoff case is still unclear. M Pierre Joxe, Minister for Industry, refused at a press conference today to go back on it. He emphasized that the Government would not impose nuclear power on Frenchmen, and would abide by the decision of the newly-elected parliament, which would be called upon to decide on the role of nuclear power in French energy production.

If the outgoing majority is returned, then presumably the large-scale nuclear programme designed to meet half the French power requirements by 1990 would go ahead.

17



Leading article, page 17



**By Diana Geddes, Education Correspondent**

The Inner London Education Authority said yesterday that it would press ahead with plans to reverse education spending cuts, eliminate streaming of pupils, end selectivity in admission to church schools, cut the price of school meals, and increase the number of co-educational school places.

At his first press conference since becoming leader of Britain's largest education authority three weeks ago, Mr Bryn Davies was at pains to emphasise that the new left-wing leadership intended to be open, unprejudiced and to involve the views of parents, teachers, pupils, and others.

"We do not intend to run the authority as a dictatorship," he said with a smile in answer to one anxious questioner.

There is a lot of work to be done in implementing our manifesto and inevitably it is likely to be a slow and un-dramatic process."

The authority would stick to the £780m budget agreed for 1981-82, which is 2 per cent less than last year, but next year would fight to restore those cuts already made, so that standards can continue to improve."

He seemed unclear about which cuts would be restored, how much money would be involved, and whether it was likely to have on the rates. It appears, however, that the intention is to reverse the 4 per cent cut made in 1980-81, which would mean raising at least £30m more than at present.

Most of the work made so far by the authority has been set by the fall in the number of pupils. The resources generated by reversing those cuts would therefore be in a sense extra money which Mr Davies said the authority would use to improve provision for increasing nursery education, cutting the price of school meals from 35p to 25p (at first experimentally), and greatly expanding provision for the young unemployed.

The level of youth unemployment was the greatest immediate cause of the cuts, he said. The number of young people out of work in inner London had more than doubled over the past year while the number of notified job vacancies had dropped by two-thirds.

The colleges of further education were turning away people away for want of places. The authority would look closely at education and train-

ing for the 16 to 19 age group.

Turning to voluntary schools, Mr Davies said that many, particularly the Roman Catholic schools, were cooperating in ending selectivity in admissions. He had no reason to suppose that the difficulties could not be resolved amicably in others. The authority would support the views of voluntary schools' right to interview pupils before admission.

On streaming (the division of pupils into broad ability groups), Mrs Frances Morrell, deputy leader and chairman of the schools committee, said that the authority would not be unambiguously opposed. We think it is unfair and inefficient."

In the first year of secondary education, only 17 of the authority's 173 secondary schools still practised streaming. He saw no reason why a selection should not be based on ability.

In the later years the authority would want to consult parents and teachers on alternatives to streaming before going ahead with its abolition.

The authority plans to increase the proportion of places in mixed schools from the present 44 per cent to at least half.

**By Richard Evans, Political Staff**

By Frances Gibb

Thunderstorms in many parts of Britain yesterday flooded homes and roads, cut power supplies and caused casualties at sports grounds.

At Charmouth, Dorset, a group of 44 school children between nine and 11, and six adults were evacuated from a village hit by their camp being swamped.

Mr Christopher Walsh, the teacher in charge, said: "The rain came off the hills in a torrent and went right through the tents."

At Rort Fox, a farm near Kirkcubbin Green, near Doncaster, Yorkshire, as the telephone when his house was struck by lightning, and he was flung the length of his small farm, which was entered by a neighbour found him unharmed.

Floods swept through shops, houses and hotels in Bourne, Lincolnshire, and in Dorset and Dawlish and the River Axe burst its banks at Axminster, Devon. Emergency services were inundated with calls and police had to cope with hundreds of motorists being left off by the storm.

Hundreds of people were left without electricity for several hours after cables in Dorset were struck by lightning.

Floods, fallen trees and landslides blocked main roads in the Midlands and when speed limits were imposed on parts of the M4 and M1, train services into St Pancras, London, were disrupted after a line slipped at Glendon, near Kettering, Northants.

In Northamptonshire, an estimated 100,000 of damage was caused by severe flooding in many parts of the county.

Corby, Kettering and Wel-

Liberal Party leaders will today urge their constituency officials in Yorkshire to back the forthcoming Parliamentary by-election and instead to back a Social Democratic candidate.

The election pact was hammered by its leading figures in both parties at Westminster yesterday and it leaves the SDP in the clear to try to win the traditionally safe Labour seat. But Mr David Steel, the Liberal leader, insisted as part of the agreement that the SDP give his party "first refusal" at any forthcoming by-election.

With Sir Shirley Williams virtually certain not to contest the Warrington seat there was increased speculation that the SDP candidate will be Professor David Marquand, former MP for Ashford, or Mr David Williams, the son of the outgoing MP whose appointment as a judge caused the by-election.

Mr Roy Jenkins, a member of the SDP's collective leadership, appeared at a candidate's press conference to discuss his party's chances when interviewed on ITVs News at One. "I would not pretend Warrington is the easiest seat but I think it is perfectly possible that we could win it and we shall try to do it."

Social Democrats are due to hold their first public meeting in Warrington on June 11 and there are contingency plans to elect their candidate soon afterwards. The SDP's national steering committee is likely to provide three or four names from which the local organisation can choose.

The SDP candidate will have to go before local Liberal officials in Warrington and seek their support for the election campaign.

Although the speed with

which the two parties have reached the electoral agreement will help the Social Democrats in the Warrington campaign, it does raise a question about the future reentry of Mr Jenkins and Mrs Williams into the House of Commons.

With the Liberals demanding the right to field their own candidate in the next by-election it must reduce the chances of Mr Jenkins or Mrs Williams finding a suitably winnable seat in the forthcoming election.

Dr David Owen, MP for Plymouth, Devonport, last night delayed into Welsh political history in an attempt to win over to the SDP the support of the principality's, up to now, reluctant voters.

A recent report by region branches of the SDP's national membership showed less than 1,500 came from Wales, but Dr Owen reminded his Cardiff audience that twice before the Welsh had changed their political allegiance.

After initiating 30 years of Lloyd George Liberalism the "naive radicalism" in the Welsh had given the Labour Party its essential breakthrough.

At the start of the 1980s the Welsh people face a similar choice. A Bennite Labour Party has absolutely nothing in common with the values and beliefs of the majority of the Welsh people.

Dr Owen also said yesterday that the top names in the party must decide for themselves if they want to contest the vacant Warrington seat (our Cardiff Correspondent writes).

Referring to Mr Roy Jenkins and Mrs Shirley Williams, he said: "I understand the wish to be there to stand. Edwards must make their own personal choice."

Continued from page 1

Mecher MP, also has two other MPs on its executive, Mr Stuart Holland and Mr Bob Cryer. The pamphlet, *Trade Unions and Socialism*, is "the work of a working class advisory committee whose convener is Mr Tony Banks, a key figure in the Benn for deputy Labour party leader campaign group."

It was written by Peter Rowlands, a lecturer of Hounslow Trades Council and local college lecturer and is being published as part of the build-up to a conference in Central Hall, Westminster, on 22 April. Mr Benn, Mr Bernard Dix, deputy general secretary of Nups, will be among the speakers.

The paper argues that the information of a new network and trade union network should be seen as a means of linking

the efforts of the various "Broad Left", of mobilizing around particular struggles and campaigns, of promoting left policies and leaders in the Labour Party and of taking the left to the Labour Party "Trade Unions and Socialism, 70p, Labour Co-ordinating Committee, 9 Poland Street, London W1."

Mr Benn's campaign to win the deputy leadership of the Labour Party was publicly backed yesterday by the left wing leadership of the Association of Locomotive Engineers and Firemen.

Mr William Ronskley, president of the union, which is expected to cast its 27,000 block vote for Mr Benn, told the train drivers' conference in London that he would lead the present deputy leader was "the first monetarist."

The Duke of Edinburgh, as President of Royal Bath and West and Southern Counties Society, visits Royal Bath and West Show, Shepton Mallet, 10.30.

Princess Margaret, presides at Annual Council Meeting of the National Society for the Prevention of Cruelty to Children, Friends Meeting House, Epsom Road, 2.15.

The Duke of Gloucester presents awards and the National Association of Shopkeepers 1980 Desert Prize at Hilton International Hotel, 12, later, accompanied by The Duchess of Gloucester, takes Duke at Boxing of the Retrair, 6.55.

Guests 9.50.

Chief of the Royal Regiment of Fusiliers visits 2nd Battalion in Berlin.

Parade Retreat: Horse Guards Parade, Whitehall, 9.30.

Short ceremony to celebrate 177th anniversary of the birth of a Victorian free-trader, Richard Cobden, at the Victoria and Albert Museum near Mornington Crescent tube station, Camden High Street, 10.30.

Talks, lectures

The formal garden—Our debt to the past, privacy and universal Elysium (John Evelyn) by Sarah Bowles, Victoria and Albert Museum, 11.15.

Marble and the sublime by

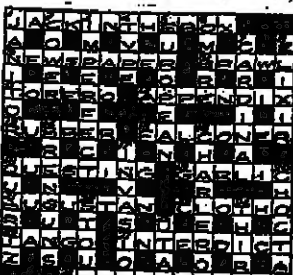
**ACROSS**

- 1 Position fence took by lake for a bird. (7).
- 5 Poet and one cauldling a vessel? (7).
- 9 About to enter enclosure as Robin might do (5).
- 10 In Ancient Britain, chief conversative writer? (9).
- 11 A sort of row with riders (6).
- 12 A kitchen appears to teach it badly, going from sublime to ridiculous (8).
- 14 Defeat the most evil (5).
- 15 Findyngher? (9).
- 18 Drove wrecked the home (3).
- 20 Goes mad about right country creatures (5).
- 22 Man of straw has a topping job (8).
- 24 Complaint peg corrected, about rent (6).
- 25 Nasty attack? (9).
- 27 Part for this man in the picture (5).
- 30 One helps in making one's mark (7).
- 31 Can't hope to do this? (7).

**DOWN**

- 1 Of the best society—Tenniel, perhaps? (3-6).
- 2 Prince helped someone to a seat? (7).
- 3 Agreed to cheat court court about Holy Writ (5).
- 4 European drink, say (4).
- 5 Gargantuan production (10).
- 6 Light sort of song (5).
- 7 Intoxicated with marijuana served on bread (4-5).
- 8 Poe's sort of rhinastubular rhyme? (5).
- 13 Fairies' child makes money on that (10).
- 14 Athenian orator is taken to ring and boxes (9).
- 17 Londoner's boat in port overcome by stormy sea (4-5).
- 19 Pinch a bit? (7).
- 21 Ravished price, a pound for a duplicate (7).
- 22 Soldiers' full of strange oaths? (5).
- 23 Continue to preserve principle (5).
- 25 Look after the beginning of the end (4).

Solution of Puzzle No 15.541



A 10x10 grid of letters used for the solution of puzzle No 15.541. The letters are arranged in a grid where some cells are empty, likely representing the original puzzle's structure.

**Geoffrey House, 11.30:** "The  
History of the HM Research Library  
at 11.30" by Paul Craddock, 1.15.,  
British Museum.

**Sovereignty (4):** The National  
Trust, Alison MP, St. Lawrence,  
Jewry, 1.15.

**Henry V Introduction to the**  
**film, with excerpts by Colin**  
**Oresonson, Museum of London,**  
**1.15.**

**Islamic masterpieces of The**  
**Chester Beatty Library, Leighton**  
**House, 2 Holland Park Road, 7.**

**The education service in the**  
**West: Desi Datta, Chairman of**  
**Chairman of the Schools Council**  
**or Curriculum and Examinations**  
**and Director of Education**  
**for Hertfordshire County Council, Royal**  
**College of Arts & John Adam**  
**Street, 6.**

**between junction 2 (the north and**  
**south circular roads) and the**  
**10.30 am start. eastbound. From 8.30**  
**to 10.30 pm many roads in the**  
**vicinity of Horseguards Parade and**  
**Buckingham Palace will be closed.**  
**These include South Circular**  
**Drive, Piccadilly, Constitution**  
**Hill, Queens Gardens, The Mall**  
**and Horse Guards Approach Road.**

**The 10.30 am start between**  
**Salisbury and Stockbridge on the**  
**A30, at St Thomas Bridge, as all**  
**traffic is being controlled by**  
**temporary signals.**

**Inquiries to the Automobile**  
**Association on 01-254 7373.**

**The Pound**

**Bank Bank**

	Bank buys	Bank sells
Australia \$	1.88	1.87
Austria Sch	35.60	33.50
Belgium F	83.00	78.00
Canada \$	2.43	2.42
Czechoslovak K	15.66	14.96
Finland Mk	9.28	8.88
France Fr	41.83	41.35
Germany Dm	2.48	2.47
Greece Dr	119.00	113.00
Hong Kong \$	11.50	10.90
Ireland P	1.36	1.30
Italy L	240.00	233.00
Japan ¥	479.00	453.00
Netherlands Gld	5.55	5.29
Norway K	12.27	11.67
Portugal Esc	129.00	123.00
Spain Ptas	164.00	156.00
Spain Ptas	192.50	183.00
Sweden Kr	10.60	10.00
Switzerland Fr	4.44	4.22
USA \$	2.10	2.03
Yugoslavia Dn	2.10	2.03

Barclays Bank International Ltd. Different rates apply to travellers' cheques and other foreign currency business.

**Stock markets**

New York: The Dow Jones Industrials average closed 10.48 points down to 387.48. Tokyo: Share prices closed sharply lower. The Nikkei average closed mixed, although the Hang Seng index closed at a new 8-year high of 10,000.00. London: The FTSE 100 index closed rising 13.10. The FTSE 250 index rose 1.08. Dealers said Zurich's stock prices closed mostly higher on repeated

**Commons (2.30):** British nationality Bill, report stage.  **Lords (2.30):** Debate on development aid policy. Countryside (Scotland) Bill, second reading.

**A special London Transport** press bus service will run today from the London Underground station near the Derby at 10.30. The service will be frequent from then on until the end of racing. The single fare will be 51 for adults (50p for children). An express service will also operate on Oaks day, Saturday, June 6.

London and the south-east of the southbound carriageway of the M1 will be closed from the junction of the M1 and junction 5 at Watford, between the 6 am and 6 pm. Diversion via the A1, A405 and A41 is signposted, and the use of the M6 is closed on weekdays from 9 pm to 6 am. Those affected are between junction 3 (Petham) and the start of

June 4, Dame Janet Baker sings  
the part of Dido, Queen of  
Carthage. 7.30

Canterbury Cathedral Chappell  
Rondeau: June 4, Monteverdi's  
Magnificat sung by the Canterbury  
Singers. 8

Lincoln Cathedral: June 5,  
Concert by the Lauris Irving-Jazz  
Band. 7.30

Norwich Cathedral: June 6,  
Concert by Cambridge Jubilee  
Youth Choir. 7

Durham Cathedral: June 6,  
Concert by the Northern Regional  
Brass Band. 7.30

Goldbridge Cathedral: June 7,  
Choir sing a special  
Eucharist for Whit Sunday. 10.30

Hereford Cathedral: June 6,  
Royal School of Church Music

In an editorial headlined "and the United States wraps up the Washington Post yesterday urged Congress to reconsider tentative plans to allow the Saudis to build an oil plant. Economic matters seized the attention of Frankfurt's bourgeoisie. The paper's editorial board, SPD and FDP coalition, hopes to stay in power if they cut Government spending. On the other hand, the FDP's spokesman, Zetting said, that society and politicians must rethink their attitude toward the Middle East. Paris Les Echos reported that Saudi Arabia fears a turn in the tide of the Arab oil embargo. The Morning Telegraph, Sheffield, today says that the Conservatives should stand down in the next election. The paper's editorial board—SPD—a clear run. The paper's editorial board says the oil industry should be able to seek much local authority contracts for such services as refuse collection. In Northern Ireland, the paper expects better productivity from the new law that the tax payer is to pay for the services of the

Racing: Epsom Derby; Ripon.  
Cricket: County championship:  
Lancashire v. Surrey, at Old Traf-  
ford; Hampshire v. Middlesex, at  
Basingstoke; Yorkshire v. Essex.

Wickshire v Northamptonshire, at Edgbaston; Worcestershire v Glamorgan, at Hereford. Other matches: Oxford University v Worcestershire, at Oxford.

Tennis: French open champion-

**Golf:** British amateur championship, at St. Andrews.; British women's amateur championship, at Conway, north Wales.

**Horse show:** Royal Bath and West, at Shepton Mallet.

Entries for consideration in The Times Information Service should be submitted to Cyril Bainbridge,

The general situation:- a trough of low pressure will be slow moving over W areas. Pressure will also be low over N Germany.

to midnight

Central S, SW, NW England. Wales:  
showers, heavy in places, but dry later,  
dry intervals; wind SW, moderate; max  
mp 16 to 18C (61 to 64F).

[illegible]

Moon rises : 5.56 am .. Moon sets : 10.17 pm  
 1st quarter : June 9

enden 9.40 pm to 4.17 am  
rtel 9.50 am to 4.27 am

### Satellite predictions

LONDON: Cosmos 151R (June 4) 23 17-  
24; SW; 70 S; ENE. Seasat 22 49-  
59; NNE; 80 E; SSW.

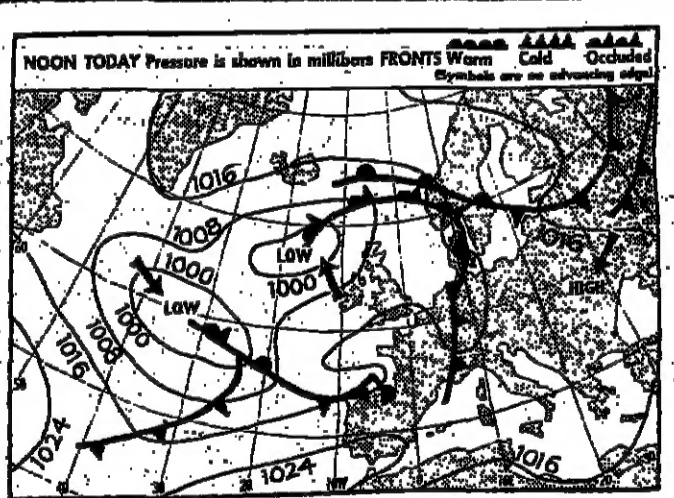
MANCHESTER: Cosmos 151R (June 4)  
5-1.3; W; 70 NNW; ENE. Seasat  
49-22.58; NE; 65 SE; SSW.

**Yesterday's weather**

Temperature at midday yesterday : c, cloud ;

Highgate	f	17	63	Jersey	f	17	63
Isle	c	16	61	London	s	19	66
Mill	c	16	61	Manchester	f	17	63
Newburgh	f	12	54	Newcastle	d	13	55
Row	f	13	55	Ramsdeway	c	13	55
Worcester	s	15	59				

**Births, Marriages  
and Deaths are**

[illegible][illegible][illegible]